|          | 186   |          | 188  |
|----------|---|----------|--|
| 1        | finance department who would know the answer to         | 1        | attendees?   |
| 2        | that question?  | 2        | A. Yes.  |
| 3        | A. Andreana Shanley.                                    | 3        | Q. I'd like to draw your attention to the                        |
| 4        | Q. What is Ms. Shanley's position?                      | 4        | last bullet point under "Hospital Multi-Year                     |
| 5        | A. She's the director of actuary.                       | 5        | Strategy."   |
| 6        | Q. Anyone else?   | 6        | A. Uh-huh.   |
| 7        | A. Maybe Steve Fox, director of provider                | 7        | Q. Does that bullet point pertain to the work                    |
| 8        | relations.  | 8        | of the outpatient department fee schedule group?                 |
| 9        | Q. Anyone else?   | 9        | A. Yes.  |
| 10       | A. I can't think of anyone else.                        | 10       | Q. Do you see under "Action Items: Next                          |
| 11       | MR. MANGI: Let me take a quick break.                   | 11       | Steps," it says, "Sheila to continue her                         |
| 12       | VIDEO OPERATOR: The time is 2:42. We're                 | 12       | presentation at the next meeting"?                               |
| 13       | off the record.   | 13       | A. Correct.  |
| 14       | (Recess was taken.)                                     | 14       | <ul> <li>Q. Does this refresh your recollection as to</li> </ul> |
| 15       | VIDEO OPERATOR: The time is 2:53 p.m.                   | 15       | how many meetings the work of the Hospital                       |
| 16       | This is Cassette 3 in the deposition of Sheila          | 16       | Outpatient Department Fee Schedule Group was                     |
| 17       | Cizauskas. We're on the record.                         | 17       | discussed at?  |
| 18       | Q. Are there any members of the Hospital                | 18       | A. According to my recollection, I presented                     |
| 19       | Outpatient Department Fee Schedule Group who are        | 19       | the overall hospital contracting plan at this                    |
| 20       | also members of the Provider Financial Strategies       | 20       | meeting, which that last bullet point was part of                |
| 21       | Work Group other than yourself?                         | 21       | that, and didn't get to two pieces of the plan that              |
| 22       | A. Mike Marrone, John Killion was in and out            | 22       | I was supposed to present at a subsequent meeting,               |
|          | 187   |          | 189  |
| 1        | of the Hospital Outpatient Fee Schedule Group, and      | 1        | but I don't believe I ever did, and it the two                   |
| 2        | he's also a member of Provider Financial Strategy.      | 2        | pieces were unrelated to the AWP.                                |
| 3        | Q. When the Provider Financial Strategy Work            | 3        | Q. The AWP-related components we've been                         |
| 4        | Group discussed this issue, who was tasked with         | 4        | talking about were all discussed and analyzed at                 |
| 5        | presenting the findings and analysis of the             | 5        | the meeting of July 11, 2005.                                    |
| 6        | provider of the Hospital Outpatient Department          | 6        | A. I believe so.   |
| 7        | Fee Schedule Group?                                     | 7        | Q. The third bullet point from the top                           |
| 8        | A. I don't remember specifically, but I know            | 8        | A. Uh-huh.   |
| 9        | that, as part of my presentation of the overall         | 9        | Q this refers to "Key changes in approach                        |
| 10       | hospital contracting strategy, I presented that         | 10       | to hospital contracting." Do you see that?                       |
| 11       | component as a bullet point in there.                   | 11       | A. Yes.  |
| 12       | Q. Let me show you another document.                    | 12       | Q. Okay. The first one is, "We will provide                      |
| 13       | (BCBSMA-AWP 12501 marked Exhibit                        | 13       | the potential for the hospitals to earn reasonable               |
| 14       | Cizauskas 003.)   | 14       | cost, plus a margin with the percentage of payment               |
| 15       | Q. Would you please review that document,               | 15       | that is linked to performance increasing as a                    |
| 16       | Exhibit Cizauskas 003, and let me know when you're      | 16       | portion of the total increase over the three- to                 |
| 17       | ready to proceed.  A. (Witness reviews document.) Okay. | 17<br>18 | four-year contract cycle."  A. Uh-huh.                           |
| 18<br>19 | Q. These are the minutes of a July 11, 2005             | 19       | Q. Now, did this pertain to inpatient —                          |
| 20       | meeting of the PFSW, right?                             | 20       | inpatient reimbursement to hospitals?                            |
| 21       | A. Yes.   | 21       | A. This referred to the total reimbursement                      |
| 22       | Q. And you're listed there as one of the                | 1        | to the hospital.   |
| 122      | Q. And you're listed there as one of the                | 1        | to are nospital.   |

|          | 190  |     | 192  |
|----------|--|-----|--|
| 1        | Q. Okay. Now, under the first point which we             | 1   | work of the Hospital Outpatient Department Fee       |
| 2        | just looked at, "Providing the potential for             | 2   | Schedule Group?                                      |
| 3        | hospitals to earn reasonable cost plus a margin"         | 3   | A. Just the AWP fee schedule piece of that           |
| 4        | A. Uh-huh.   | 4   | bullet.  |
| 5        | Q that wasn't a change from prior                        | 5   | Q. So, that part of the second bullet and the        |
| 6        | approach, was it?  | 6   | last bullet would pertain to the work of the         |
| 7        | A. That was not a change.                                | 7   | Hospital Outpatient Department Fee Schedule Group?   |
| 8        | Q. Okay. That that part of the sentence                  | 8   | A. Correct.  |
| 9        | had been a consistent approach                           | 9   | Q. Do any other bullet points relate to the          |
| 10       | A. Correct.  | 10  | work of that group?                                  |
| 11       | Q at BCBS in the past.                                   | 11  | A. I don't think so. (Witness reviews                |
| 12       | A. Yes.  | 12  | document.) No, I don't think there is anything       |
| 13       | MR. COCO: Objection.                                     | 13  | else.  |
| 14       | Q. The second part of that sentence is, "With            | 14  | Q. The bottom of the page says, "Draft agenda        |
| 15       | the percentage of payment that is linked to              | 15  | for 7/25 meeting." You'll see there's an entry       |
| 16       | performance increasing as a proportion of the total      | 16  | there with your name by it.                          |
| 17       | increase," is that the change that is being              | 17  | A. Yes.  |
| 18       | referred to?   | 18  | Q. Are those the sections that you did not           |
| 19       | A. That is a change in this plan.                        | 19  | get to?  |
| 20       | Q. And the the consistent strategy which                 | 20  | A. Correct.  |
| 21       | we just talked about, which is to provide a              | 21  | Q. What does "BH rates" mean?                        |
| 22       | reasonable cost plus a margin, that's true of            | 22  | A. Behavioral health rates.                          |
|          | 191  |     | 193  |
| 1        |  | ٦,  |  |
| 2        | physician offices as well as hospitals, correct?  A. No. | 1 2 | (BCBSMA 005188-5239 marked Exhibit Cizauskas 004.)   |
| 3        | MR. COCO: Objection.                                     | 3   | Q. I show you a document which was marked as         |
| 4        | Q. That's not true of physician offices?                 | 4   | Exhibit Cizauskas 004. Can you please take a look at |
| 5        | A. I'm not aware of the strategy on physician            | 5   | that document, and let me know when you're done.     |
| 6        | offices. My role is on hospitals.                        | 6   | A. (Witness reviews document.) Okay.                 |
| 7        | Q. But you do know that that's always been               | 7   | Q. Now, earlier in the day we discussed              |
| 8        | true in relation to hospitals.                           | 8   | HealthONE  |
| 9        | A. I don't know that it's always been true.              | 9   | A. Yes.  |
| 10       | Q. It's been true for the period of time                 | 10  | Q which is one of the entities which has             |
| 11       | you've been at the company?                              | 11  | and continues to be reimbursed on a global           |
| 12       | A. It was true when I arrived at the company,            | 12  | capitated rate, including drugs. Do you recall       |
| 13       | and that's when I became aware of it.                    | 13  | that testimony?                                      |
| 14       | Q. The second bullet point from the top,                 | 14  | A. Yes.  |
| 15       | "Sheila reviewed the elements of commercial              | 15  | Q. Are Harvard Vanguard Medical Associates,          |
| 16       | hospital contracts for 2005, FY '06" is that             | 16  | Dedham Medical Associates, and Southboro Medical     |
| 17       | full year '06?   | 17  | Group, Inc. part of HealthONE?                       |
| 18       | A. Fiscal year.  | 18  | A. Yes.  |
| 19       | Q. " fiscal year '06, including core rate                | 19  | Q. So, these - are these - do these                  |
| 20       | increases, performance incentives quality and            | 20  | documents together make up the contract whereby      |
|          | technology, AWP fee schedule," and then it               | 21  | HealthONE receives the global capitated rate that    |
| 21       | technology, A writee schedule, and then it               | 21  | realthorne receives the global capitated rate that   |
| 21<br>22 | continues. Is this bullet also referring to the          | 22  | we've discussed?                                     |

March 10, 2006

| ·  |  |    |  |
|----|--|----|--|
|    | 194  |    | 196  |
| 1  | A. I'm not sure if this is all of it or not.       | 1  | A. But there there are copies of all the           |
| 2  | I would have to go into my files and pull all of   | 2  | contracts available.                               |
| 3  | the if there are any amendments or anything        | 3  | Q. And do you know how to locate those             |
| 4  | associated with this.                              | 4  | contracts?   |
| 5  | Q. If you have a look at the second page of        | 5  | A. Yes.  |
| 6  | the document, which is the page Bates numbered     | 6  | Q. Now, is there a reason why the first part       |
| 7  | 5189   | 7  | of this document, which has "Harvard Vanguard      |
| 8  | A. Uh-huh.   | 8  | Medical Associates, Inc." in the header            |
| 9  | Q you'll see there is a table of                   | 9  | A. Uh-huh.   |
| 10 | contents.  | 10 | Q. – is entitled "Exhibit A-1," but so, too,       |
| 11 | A. Uh-huh.   | 11 | is the second part, which is Dedham Medical        |
| 12 | Q. Do are the components of that table of          | 12 | Associates   |
| 13 | contents present in this document?                 | 13 | A. Uh-huh.   |
| 14 | A. (Witness reviews document.) It looks like       | 14 | Q whereas, the third part is A-3,                  |
| 15 | they are.  | 15 | Southboro Medical Group?                           |
| 16 | Q. And that's similarly true for the Dedham        | 16 | A. What is the question?                           |
| 17 | Medical Associates' part and the Southboro Medical | 17 | Q. Is there a reason why there are two A-1s        |
| 18 | Group, Inc. part, right?                           | 18 | and then an A-3?                                   |
| 19 | A. I'll take a moment here. (Witness reviews       | 19 | A. I don't know. I'd have to go back and           |
| 20 | document.) Yes.                                    | 20 | look through the history of the file to see what   |
| 21 | Q. Now, the Harvard Vanguard Medical               | 21 | the chronology would be.                           |
| 22 | Associates' part if you turn to Page Bates         | 22 | Q. Is is HealthONE made up of just these           |
|    | 195  |    | 197  |
| 1  | numbered 5202, which is Page 13 of the document,   | 1  | three entities, or are there other entities?       |
| 2  | you will see a signature page. Are you there?      | 2  | A. There's one additional entity.                  |
| 3  | A. Uh-huh. Yes.                                    | 3  | Q. What is that entity?                            |
| 4  | Q. You will see the date of the signature          | 4  | A. South Shore Medical Center.                     |
| 5  | there is March 8, '04.                             | 5  | Q. Would you expect there to be a similar          |
| 6  | A. Yes.  | 6  | section of this contract dealing with South Shore  |
| 7  | Q. Is this the contract that's currently in        | 7  | Medical Center?                                    |
| 8  | place with HealthONE?                              | 8  | A. I would expect so.                              |
| 9  | A. (Witness reviews document.) I don't know        | 9  | MR. COCO: Adeel, I don't want to make a            |
| 10 | that this is everything that's currently in place. | 10 | speaking objection, but I - in answering some of   |
| 11 | Q. Would you                                       | 11 | your questions, you may want to refer to the first |
| 12 | A. There   | 12 | paragraph on 5190, and I'm saying this just for    |
| 13 | Q. I'm sorry. Go ahead.                            | 13 | your purposes - as opposed to the witness's        |
| 14 | A. There have been some additional                 | 14 | with respect to your question on whether this is a |
| 15 | discussions with HealthONE on components of their  | 15 | complete agreement or not.                         |
| 16 | contract since then.                               | 16 | MR. MANGI: (Reviews document.) Mark                |
| 17 | Q. Are the are any changes or amendments           | 17 | Exhibit Cizauskas 005.                             |
| 18 | to this contract or parts of this additional       | 18 | (BCBSMA-AWP 12593-12609 marked                     |
| 19 | parts of this contract contained within your files | 19 | Exhibit Cizauskas 005.)                            |
| 20 | at BCBS of Massachusetts?                          | 20 | Q. Now, at the bottom of the first page of         |

21

A. Not my personal files.

Q. Are they available in company files?

21 Exhibit Cizauskas 005, it's an e-mail from Mike

22 Mulrey sent to a group of four people, of which you

#### Sheila R. Cizauskas HIGHLY CONFIDENTIAL March 10, 2006 Boston, MA

|          | 198   |          | 200   |
|----------|---|----------|---|
| 1        | are one. Do you see that?   | 1        | be a good person to ask about the Blue Care 65 fee                      |
| 2        | A. Uh-huh.  | 2        | schedule.   |
| 3        | Q. It's dated January 14th, 2004. Could you                                     | 3        | MR. MANGI: Exhibit Cizauskas 006.                                       |
| 4        | review that e-mail, please, and let me know when                                | 4        | (BCBSMA-AWP 12496 marked Exhibit Cizauskas                              |
| 5        | you're ready to proceed.  | 5        | 006.)   |
| 6        | A. (Witness reviews document.)  | 6        | Q. Would you review that document, and let me                           |
| 7        | (Discussion off the record.)  | 7        | know when you're ready to proceed, please.                              |
| 8        | A. Okay.  | 8        | A. (Witness reviews document.) Okay.                                    |
| 9        | Q. Is there withdraw that. Why was Mr.  | 9        | Q. Now, this e-mail is from Mr. Michael                                 |
| 10       | Mulrey sending this e-mail to you regarding his                                 | 10       | Marrone?  |
| 11       | analysis of cost impact to the BC 65 network of a                               | 11       | A. Marrone, yes.  |
| 12       | change in methodology?  | 12       | Q. Mr. Marrone is, together with you, is one                            |
| 13       | A. I can't really say. I mean, I'm  | 13       | of the two people in charge of the work of the                          |
| 14       | frequently included on e-mails having to do with                                | 14       | Hospital Outpatient Department Fee Schedule Group,                      |
| 15       | with hospital rates or physician components of Blue                             | 15       | correct?  |
| 16       | Care 65.  | 16       | A. Correct.   |
| 17       | Q. Do you remember receiving this e-mail?                                       | 17       | Q. Does this e-mail pertain to the work of                              |
| 18       | A. I don't specifically remember, no.   | 18       | the Hospital Outpatient Department Fee Schedule                         |
| 19       | Q. Does this e-mail refresh your recollection                                   | 19       | Group?  |
| 20       | at all as to whether or not BCBS of Massachusetts                               | 20       | A. It looks like the major purpose of the                               |
| 21       | did follow Medicare's lead in changing methodology                              | 21       | e-mail was to it looks like answer some                                 |
| 22       | pertaining to the BC 65 product line?   | 22       | questions regarding a hospital system negotiation.                      |
|          | 199   |          | 201   |
| 1        | A. Clearly, I was a recipient of the e-mail.                                    | 1        | Q. I'd like to draw your attention to the                               |
| 2        | And at the time, I probably read it. But since                                  | 2        | paragraph marked "AWP Valuation."                                       |
| 3        | it's not my area of responsibility, it wasn't                                   | 3        | A. Yes.   |
| 4        | something that sunk into my everyday concern.                                   | 4        | Q. Could you review that paragraph.                                     |
| 5        | Q. I understand that. My my question was,                                       | 5        | A. Yes.   |
| 6        | does reading this e-mail, talking about BC 65                                   | 6        | Q. Have you had a chance to look at that?                               |
| 7        | A. Uh-huh.  | 7        | A. Yes.   |
| 8        | Q stir your memory or awaken any  | 8        | Q. Isn't that paragraph referring to the                                |
| 9        | recollections as to whether or not BCBS of                                      | 9        | implementation of AWP in relation to hospital                           |
| 10       | Massachusetts did follow Medicare's lead in                                     | 10       | outpatient departments?   |
| 11<br>12 | changing methodologies for the BC 65 network?                                   | 11       | A. That that paragraph is valuing the                                   |
| 13       | A. Well, the e-mail certainly says that that the analysis was done and that the | 12       | impact of moving to the AWP fee schedule as one of                      |
| 14       | recommendation was being made to do so, but I don't                             | 13<br>14 | the components of this hospital system negotiation.                     |
| 15       | have an independent recollection.   | 15       | Q. Now, the paragraph starts with, "The 3.9 million included Medicare." |
| 16       | MR. COCO: While we're on this topic,  | 16       | A. Correct.   |
| 17       | during the break  | 17       |   |
| 18       | THE WITNESS: Right.   | 18       | Q. Do you have any idea of what that's referring to?                    |
| 19       | MR. COCO: she had remembered something  | 19       | A. It's referring to the hospital outpatient                            |
| 20       | in response to a question.  | 20       | Medicare services.  |
| 21       | Q. Would you like   | 21       | Q. In other words, he's saying the 3.9                                  |
| 22       | A. I have remembered that Mike Mulrey would                                     | 22       | million figure includes well, withdraw that.                            |
| <u> </u> | mail tomaniones that white wanty would  |          | minon ngare menaes wen, windraw mat.                                    |

March 10, 2006

204

205

|   | 202   |
|---|---|
| 1 | I'm sorry. I didn't follow your last                |
| 2 | A. At the hospital system, Caritas, there was       |
| 3 | an analysis done on the impact of moving to the AWP |
| 4 | fee schedule, and it included all the products,     |
| 5 | including Medicare product.                         |

- Q. Including BC 65, for example?
- 7 A. Correct.

6

- 8 Q. So, the first sentence indicates that in
- 9 relation to this one specific hospital system,
- 10 which is Caritas Hospital system --
- 11 A. Yes.
- 12 Q. -- moving to the AWP-based methodology
- 13 from the previous charge-based methodology would
- 14 result in a savings of \$3.9 million?
- 15 A. The difference between their
- 16 percent-of-charge methodology and an AWP
- 17 methodology -- Mike is saying -- was this number.
- 18 Q. Okay. And was the AWP methodology, did
- 19 that come to 3.9 million less than the
- 20 percent-of-charge methodology?
- 21 A. Yes, that's what it looks like he's
- 22 saying.

1 Q. Would that be John Killion?

2 A. I doubt it. It would not have been John

3 Killion.

4 Q. He then says, "This analysis, as is all of

5 our AWP analysis, values the savings associated

with the first-year implementation of the AWP

7 reimbursement methodology." When he says, "As is

8 all of our AWP analysis," is he referring to the

9 other analysis performed in conjunction with the

10 work of the Hospital Outpatient Department Fee

11 Schedule Group?

12 MR. COCO: Objection.

13 A. I believe that's what he would have been

14 referencing, though this is his e-mail, not mine.

Q. And then he says that they are still

16 trying to find a solid way to estimate future

17 savings -- or savings for future years.

18 A. Correct.

19 Q. You'll be happy to know we're not going to

20 go through all of these. Do you know who Mary

21 Powers is?

22 A. Powers? It sounds like a name I should

203

3

- 1 Q. And he says, "If we adjust for that, the
- 2 commercial estimate is 3.5 million. However, this
- 3 needs to be trended for one year, which would bring
- 4 the commercial number back up close to 3.9." And
- 5 there he's referring to how the number would change
- 6 if you excluded the managed Medicare products from
- 7 the analysis, is that correct?
  - MR. COCO: Objection.
  - A. I'm not sure what -- I'm not sure exactly
- 10 what he's -- how he's itemizing each piece.
- 11 Q. Okay. Do you recall reviewing this e-mail
- 12 when you received it in November of '05?
- 13 A. Yes.

9

- 14 Q. Okay. When he says, "If we adjust for
- 15 that, the commercial estimate is 3.5 million,"
- 16 what did you understand him to be referring to?
- 17 A. I understood that the -- of the 3.9
- 18 million, 3.5 was for commercial.
- 19 Q. He then says in parentheses, "John is
- 20 running some numbers this morning." Who is the
- 21 "John" referred to there?
  - A. I'm not sure.

- 1 know. I think she's someone that left the company,
- 2 so I didn't really know her very well.
  - MR. MANGI: Exhbiit Cizauskas 006.
- 4 THE WITNESS: Exhibit Cizauskas 007.
- 5 (BCBSMA-AWP 000173-000175 marked Exhibit
- 6 Cizauskas 007.)
- 7 Q. Now, I understand this is a document
- 8 generated prior to your arrival at BCBS -- you'll
- 9 see on the top left the date is 10/1/99 however,
- 10 based on your experience at the company working on
- 11 hospital contracting, do you have an understanding
- 12 as to the analysis that's being performed in this
- 13 document?

- MR. COCO: Objection.
- 15 A. I've never seen this type of analysis.
- 16 Q. Could you take a look at the second page
- 17 of the document. Have you ever seen analysis of
- 18 this type?
- 19 MR. COCO: Objection.
- 20 A. I've never seen this.
- 21 Q. You'll see that under "Milton Hospital" or
- 22 "South Shore Hospital" there's a column for "99

|          | 206  |          | 208   |
|----------|--|----------|---|
| 1        | Redbook AWP," which has a price by it, and then      | 1        |   |
| 2        | there's a column for "Acquisition 99 AWP minus 35    | 2        | hospital outpatient drug reimbursement.  MR. COCO: Objection. |
| 3        | percent." Have you ever seen comparisons of AWP      | 3        | A. (Witness reviews document.) It it                          |
| 4        | numbers with numbers entitled "Acquisition"?         | 4        | presents the as part of the proposal that they                |
| 5        | A. No.   | 5        | will move to the hospital outpatient drug fee                 |
| 6        | MR. MANGI: For the record, this document             | 6        | schedule.   |
| 7        | is Bates numbered BCBSMA-AWP 173 to 175, and we      | 7        | Q. And that's the paragraph under the table                   |
| 8        | request the name of the custodian and author of      | 8        | on the page Bates numbered 12497?                             |
| 9        | that document.                                       | 9        | A. Yes.   |
| 10       | MR. COCO: That request assumes that it's             | 10       | Q. Anything else?   |
| 11       | a Blue Cross Blue Shield-generated document.         | 11       | A. That's the only thing I see that relates                   |
| 12       | MR. MANGI: Well                                      | 12       | to the hospital outpatient fee schedule.                      |
| 13       | MR. COCO: Simply because a document is on            | 13       | Q. The bottom of the first page there is a                    |
| 14       | file does not mean that it's a Blue Cross Blue       | 14       | section entitled "Hospital Cash Payments."                    |
| 15       | Shield document.                                     | 15       | A. Yes.   |
| 16       | MR. MANGI: But it does mean that someone             | 16       | Q. What are these hospital cash payments?                     |
| 17       | at Blue Cross Blue Shield is a custodian for the     | 17       | A. What are they?   |
| 18       | document.  | 18       | Q. Yeah.  |
| 19       | (BCBSMA-AWP 12496-12500 marked Exhibit               | 19       | A. They are cash payments in the amounts laid                 |
| 20       | Cizauskas 008.)                                      | 20       | out.  |
| 21       | Q. Now, Exhibit Cizauskas 008 the first page         | 21       | Q. Okay. The first one is "CY '05," what                      |
| 22       | of this is an e-mail that we looked at earlier, but  | 22       | does that mean?   |
|          | 207  |          | 209   |
| 1        | this also has an additional set of pages attached to | 1        | A. That would be the time frame in which that                 |
| 2        | it which are entitled "BCBSMA Proposal to CCNS."     | 2        | cash payment would have been made.                            |
| 3        | A. Correct.  | 3        | Q. Does that stand for calendar year '05?                     |
| 4        | Q. Do you see that?                                  | 4        | A. Yes.   |
| 5        | A. Yes.  | 5        | Q. Okay. That first payment is "\$4 million                   |
| 6        | Q. Is CCNS an acronym for the Caritas                | 6        | to be paid within ten days of signature to                    |
| 7        | A. Yes.  | 7        | contracts."   |
| 8        | Q hospital system?                                   | 8        | A. Correct.   |
| 9        | A. Yes.  | 9        | Q. Is that were there any other conditions                    |
| 10       | Q. What does CCNS stand for?                         | 10       | to that \$4 million payment?                                  |
| 11       | A. Caritas Christie Network System, I think.         | 11       | MR. COCO: Objection.  |
| 12       | Q. How large is the Caritas system?                  | 12       | A. I'm not sure which part of – there was a                   |
| 13       | A. I think it has six hospitals and                  | 13       | condition to one of these payments that the                   |
| 14<br>15 | associated physician groups.                         | 14       | emergency medicine physicians would be                        |
| 16       | Q. Does this four-page document contain any          | 15       | participating in the network, so probably would               |
| 17       | analysis pertaining to the outpatient department     | 16       | have been that 4 million, there was a condition for           |
| 18       | drug reimbursement component?  A. Any analysis?      | 17       | 1 million of it.  |
| 19       | Q. Analysis or discussion.                           | 18       | Q. Is it is it standard for BCBS of                           |
| 20       | MR. COCO: Objection.                                 | 19<br>20 | Massachusetts to offer hospitals cash payments that           |
| 21       | A. I'm sorry?  | 21       | are subject only to signature of the contract?  A. No.        |
| 22       | Q. Any analysis or discussion pertaining to          | 22       |   |
|          | 2. 1113 marysis or discussion permitting to          | 44       | Q. Why was this \$4 million cash payment being                |

210

#### Sheila R. Cizauskas HIGHLY CONFIDENTIAL Boston, MA

March 10, 2006

213

| ı | offered | to | Caritae? |  |
|---|---------|----|----------|--|

- 2 A. I think there were a lot of -- a lot of
  - circumstances that led to the decision to make a
- 4 cash payment, many of which were -- I was not
- 5 necessarily privy to.
- 6 Q. What are the circumstances that you were 7 privy to?
- 8 A. There was a -- there -- it was a hospital
- system that was in financial distress, and there
- 10 was some feeling that there was a need to help in
- 11 the short term, but not necessarily build
- 12 additional dollars into the rates that would go on
- 13 long term.
- 14 Q. Was it in BCBS of Massachusetts' interest
- 15 to help shore up an unrelated hospital group that
- 16 was in financial difficulty?
- 17 A. I can't say -- I can't speak for the
- 18 organization at large, except that I know that Blue
- 19 Cross is very community oriented and -- and cares
- 20 about the -- the hospitals in the network.
- 21 Q. Well, was this \$4 million intended to be
- 22 paid as a community service to help ensure adequate

212

- 1 Q. The second entry there is a \$2.6 \$2.7
- 2 million Medicaid shortfall funding payment. What
- 3 does that refer to?
- 4 A. Blue Cross is aware that there is --
- 5 through -- has become aware that there is a
- 6 shortfall between what Medicaid pays and what the
- 7 costs of providing care is and made a decision to
- 8 offer some assistance to hospitals in the short
- 9 term, while at the same time working with the state
- 10 and other constituencies in the state to encourage
- 11 more rational payment for Medicaid services so that
- 12 the commercial payers were not in a position of
- 13 having to make up the difference.
- 14 Q. Now, how did Blue Cross Blue Shield of
- 15 Massachusetts become aware of the inadequacy of
- 16 Medicaid payments?
- 17 A. The hospitals consistently made us aware
- 18 and looked to Blue Cross for payments in excess of
- 19 what they would normally need in order to help make
- 20 up the difference.
- 21 Q. And was the point that the hospitals were
- 22 communicating that Medicaid payments were

211

- hospital facilities were available, as opposed to a
- 2 -- there being a commercial reason for this
- 3 payment?
- 4 MR. COCO: Objection.
- 5 A. What do you mean by "commercial reason"?
  - Q. A business reason, as opposed to an
- 7 altruistic reason.
  - MR. COCO: Objection.
- 9 A. I really can't say what the motivation
- 10 organizationally was. There were people involved
- 11 in this negotiation that were far above my grade
- 12 level.

- Q. Were there any reasons for the payment
- 14 you're aware of, other than the altruistic motive
- 15 you just described?
- 16 MR. COCO: Objection.
- 17 A. I don't know.
- 18 Q. Was any part of the decision to offer a
- 19 cash payment to incentivize hospitals to move
- 20 towards an AWP-based methodology in the outpatient
- 21 departments?
- 22 A. No.

- 1 insufficient when considered at a global level,
- 2 including all Medicaid reimbursements for services,
- 3 for drugs, and so on?
- 4 MR. COCO: Objection.
- 5 A. I just know that it was a -- it was
- Medicaid in general. Nothing specific.
- 7 Q. Now, what -- you described some work that
- 8 BCBS has done as a result to encourage Medicaid to
- 9 increase payments. Can you describe what you were
- 10 referring to there.
- 11 A. I don't know directly. I only know that
- 12 Blue Cross is in contact with the state and with
- 13 other constituencies, and I don't know what the
- 14 work is specifically.
- 15 Q. Who's in charge of that work?
- 16 A. Peter Meade.
- 17 Q. What is Mr. Meade's position?
- 18 A. He is a senior vice president for -- I
- 19 don't know what his title is -- external affairs
- 20 or -- he may be an executive vice president. I
- 21 don't know. Way up there.
- 22 Q. The third entry on 12497 is, "A million

|     | 214   |    | 216   |
|-----|---|----|---|
|     |   |    | 216   |
| 1   | dollar one-time payment for the value of the        | 1  | it.   |
| 2   | incremental increase to hospital rates." What is    | 2  | Q. If there's a conflict between the number         |
| 3   | that referring to?                                  | 3  | that the hospital provides and the number that BCBS |
| 4   | A. The negotiation became protracted and            | 4  | estimates, which number prevails?                   |
| 5   | extended beyond when the rates would have been      | 5  | A. This is a negotiated number, and it's            |
| 6   | implemented, which would have been October 1st, and | 6  | really intended to be a gesture of help, but not    |
| 7   | so, this payment was to make up for the that        | 7  | anything that would be quantifiable through a       |
| 8   | time frame between October 1st and when and         | 8  | methodology that would be verified.                 |
| 9   | December 1st the lost value of the rate increase    | 9  | Q. What is the business incentive to BCBS of        |
| 10  | during that time frame.                             | 10 | Massachusetts to make these Medicaid shortfall      |
| 11  | Q. The fourth entry there has another \$2.6 to      | 11 | payments  |
| 12  | \$2.7 million payment for "shortfall funding to     | 12 | MR. COCO: Objection.                                |
| 13  | hospitals." What does that refer to?                | 13 | Q to hospitals?                                     |
| 14  | A. That's another payment for the next fiscal       | 14 | MR. COCO: Objection.                                |
| 15  | year for Medicaid shortfall.                        | 15 | A. The hospitals are are looking for                |
| 16  | Q. How many hospitals is BCBS of                    | 16 | relief, and they're looking to the commercial       |
| 17  | Massachusetts currently paying Medicaid shortfall   | 17 | payers, and it's really a it's really a gesture     |
| 18  | payments to?  | 18 | of goodwill that I can see.                         |
| 19  | MR. COCO: Objection.                                | 19 | Q. Why are the hospitals looking to                 |
| 20  | A. I don't know exactly. Ten to 15. It              | 20 | commercial payers rather than to the government?    |
| 21  | would be an estimate.                               | 21 | A. I think they're looking everywhere.              |
| 22  | Q. And how many hospitals in total does BCBS        | 22 | Q. Is it fair to say that they're looking at        |
|     | 215   |    | 217   |
| 1   | of Massachusetts contract with?                     | 1  | the commercial payers not only for financial        |
| 2   | A. Acute care hospitals, 72.                        | 2  | assistance, but also for assistance in lobbying the |
| 3   | Q. What distinguishes the ten to 15 hospitals       | 3  | government to increase Medicaid payments?           |
| 4   | that are receiving Medicaid shortfall payments from | 4  | A. I can't speak for them.                          |
| 5   | BCBS of Massachusetts from the other?               | 5  | MR. COCO: Objection.                                |
| _ 6 | A. They would have they would have been             | 6  | Q. Well, isn't that what they've done with          |
| 7   | hospitals that were up for renewal for 10/1/05, and | 7  | BCBS of Massachusetts?                              |
| 8   | they would have been hospitals that our estimate    | 8  | MR. COCO: Objection.                                |
| 9   | our analysis would have shown that they had a       | 9  | A. They isn't what would they have done?            |
| 10  | Medicaid shortfall.                                 | 10 | Looked to us for relief?                            |
| 11  | Q. Is BCBS of Massachusetts independently           | 11 | Q. Have do they seek both financial relief          |
| 12  | analyzing the finances of hospitals to see whether  | 12 | and assistance in lobbying the government to        |
| 13  | or not they have Medicaid shortfalls?               | 13 | increase Medicaid payments?                         |
| 14  | A. Only to the extent that we have                  | 14 | MR. COCO: Objection.                                |
| 15  | publicly-reported data and using that as a proxy to | 15 | A. I don't know that they have looked to Blue       |
| 16  | estimate what we think there may be in a Medicaid   | 16 | Cross to do that.                                   |
| 17  | shortfall.  | 17 | Q. But Blue Cross Blue Shield of                    |
| 18  | Q. Are the hospitals also making                    | 18 | Massachusetts is, nonetheless, working through Mr.  |
| 19  | representations to BCBS of Massachusetts as to what | 19 | Peter Meade to lobby the government to increase     |
| 20  | their shortfall is?                                 | 20 | Medicaid payments.                                  |
| 21  | A. They're making representations of a              | 21 | MR. COCO: Objection.                                |
|     |   | 22 | A. I don't know if I would I don't know if          |

March 10, 2006

|         | 218   |     | 220  |
|---------|---|-----|--|
| 1       | the word "lobby" is correct, but I know that he's                         | 1   | renewals coming up for 10/1/06, so it would have   |
| 2       | working with others, including the government, to                         | 2   | just been the 10/1/05 renewals.  |
| 3       | address this issue.   | 3   | Q. Okay. How many contracts were renewed in  |
| 4       | Q. Is he advocating an increase in  | 4   | the 10/1/05 phase of renewals?   |
| 5       | reimbursement rates to address the issue?                                 | 5   | A. Between 15 and 20.  |
| 6       | MR. COCO: Objection.  | 6   | Q. So, out of those 15 to 20 contracts,  |
| 7       | A. I don't know what he's doing specifically.                             | 7   | somewhere in the region of 10 to 15 of those   |
| 8       | Q. Well, what is the purpose of the work that                             | 8   | contracts did receive did involve Medicaid   |
| 9       | Mr. Meade is doing? What's the goal it's designed                         | 9   | shortfall payments?  |
| 10      | to reach?   | 10  | A. Those are that's an estimate  |
| 11      | MR. COCO: Objection.  | 11  | Q. Okay.   |
| 12      | A. I don't know.  | 12  | A without looking at the specific numbers  |
| 13      | Q. Well, what's your understanding of what he                             | 13  | and lists.   |
| 14      | is doing in relation to Medicaid  | 14  | Q. That would work out as approximately  |
| 15      | A. My only understanding is what I've said,                               | 15  | anywhere from 50 to 100 percent of the hospitals   |
| 16      | is that he's working with other constituents in the                       | 16  | received Medicaid shortfall payments.  |
| 17      | state to address the Medicaid shortfall.                                  | 17  | MR. COCO: Objection.   |
| 18      | Q. Who is he working with I'm sorry. Go                                   | 18  | A. No.   |
| 19      | ahead.  | 19  | Q. If you do the math at 10 to 15 versus 15  |
| 20      | A. And in the interim, we've offered some of                              | 20  | or 20  |
| 21      | these payments for for relief at the hospital                             | 21  | A. Yeah.   |
| 22      | level.  | 22  | Q. – the minimum percentage is 50, and the   |
|         | 219   |     | 221  |
| 1       | Q. What are the other constituents that he's                              | 1   | maximum is a hundred. I'm just trying to   |
| 2       | working with?   | 2   | understand what proportion of hospitals are getting  |
| 3       | MR. COCO: Objection.  | 3   | these Medicaid shortfall payments.   |
| 4       | A. I don't know specifically.   | 4   | MR. COCO: Objection.   |
| 5       | Q. Does BCBS of Massachusetts anticipate                                  | 5   | A. So, repeat the numbers that you just  |
| 6       | making similar Medicaid shortfall payments to other                       | 6   | quoted.  |
| 7       | hospitals as their contracts come up for renewal?                         | 7   | Q. Well, to to save the arithmetic   |
| 8       | MR. COCO: Objection.  | 8   | trouble, let me ask you this: Of the contracts   |
| 9<br>10 | A. At — at this moment in time, it's a —                                  | 9   | that have come up for renewal since and including  |
| 11      | it's a question that's unanswered.  Q. When's the first time that BCBS of | 10  | 10/1/05, can you approximate what portion or what percentage have involved the payment of Medicaid |
| 12      | Massachusetts made a Medicaid shortfall payment to                        | 11  | shortfall payments?  |
| 13      | a hospital?   | 13  | A. Well, without going back and looking at   |
| 14      | MR. COCO: Objection.  | 14  | the total number of hospitals that were up for   |
| 15      | A. First time I negotiated a payment was for                              | 15  | renewal and how many received a Medicaid shortfall,  |
| 16      | implementation of the 10/1/05 renewal hospitals.                          | 16  | I would have to simply estimate how many I remember  |
| 17      | Q. Since 10/1/05 to the present, how many of                              | 17  | receiving a shortfall, and that's, you know,   |
| 18      | the 72 hospital contracts BCBS of Massachusetts                           | 18  | between 10 and 15 hospitals.   |
| 19      | maintains have come up for renewal?                                       | 19  | Q. Between 10 and 15 hospitals?  |
| 20      | A. Since after the 10/1/05 renewals?                                      | 20  | A. Right.  |
| 21      | O Dight an singe and imply ding the 10/1                                  | 101 | 0 01 37 14 41 4 14   |

21

Q. Okay. Now, is it anticipated that

22 Medicaid shortfall payments will be made as part of

21

Q. Right, or since and including the 10/1.

A. Including the 10/1? Well, we have

March 10, 2006

|          |  | 119 1 | ·····   |
|----------|--|-------|---|
|          | 222  |       | 224   |
| 1        | the '06 renewals?                                  | 1     | shortfall payments?   |
| 2        | MR. COCO: Objection.                               | 2     | A. The decision would be made now whether or  |
| 3        | A. There are still discussions about that.         | 3     | not there would be any funding available as part of                                   |
| 4        | Q. Who is responsible for making a decision        | 4     | the negotiation. It isn't an automatic in any   |
| 5        | as to whether or not to make Medicaid shortfall    | 5     | case, it's not an automatic offering.   |
| 6        | payments?  | 6     | Q. The next the last two pages rather   |
| 7        | A. My boss, Deb Devaux, and Rena Vertes would      | 7     | the page Bates numbered 12499, which is entitled                                      |
| 8        | be the two that I would look to for the decision.  | 8     | "Physician's Terms," do you see that  |
| 9        | And whether or not they're looking to their        | 9     | A. (Witness nods.)  |
| 10       | superiors, I don't know.                           | 10    | Q does this pertain to the same incentive   |
| 11       | Q. Is this an issue that is subject to             | 11    | programs that we discussed earlier in the day?  |
| 12       | analysis in the Provider Financial Strategy Work   | 12    | A. Which piece?   |
| 13       | Group?   | 13    | Q. The primary care and specialty care  |
| 14       | A. I don't remember it coming up in the            | 14    | pay-for-performance sections.   |
| 15       | Provider Financial Strategy Work Group.            | 15    | A. The PCPIP, yes. And the specialty care is  |
| 16       | Q. When will a final decision be made as to        | 16    | a variation of the standard GPIP program.   |
| 17       | whether or not to provide Medicaid shortfall       | 17    | Q. The fee schedule increases that are  |
| 18       | payments to hospitals as part of the '06 renewals? | 18    | discussed closer to the top of the page   |
| 19       | A. We're probably days away from a final           | 19    | A. Yes.   |
| 20       |  | 20    | Q do those pertain only to services or to   |
| 21       | Q. What are the pros and the cons of making        | 21    | services and drugs?   |
| 22       | the payments that have been under discussion?      | 22    | A. They pertain to everything.  |
|          | 223  |       | 225   |
| 1        | MR. COCO: Objection.                               | 1     | Q. And these are percentages increases that   |
| 2        | A. From my perspective? The pros would be          | 2     | will be made across the board on the specified  |
| 3        | what they've always been, to offer some assistance | 3     | dates?  |
| 4        | to hospitals that have a Medicaid shortfall and to | 4     | A. Correct.   |
| 5        | keep it out of the ongoing rates and have it a     | 5     | Q. Now, is that suggesting payments will then   |
| 6        | short-term payment. The cons are, at this point in | 6     | not be at 95 percent of AWP because the AWP may or                                    |
| 7        | time, we don't know what the state how the state   | 7     | may not change by the percentages indicated here?                                     |
| 8        | legislation is going to affect the payments the    | 8     | MR. COCO: Objection.  |
| 9        | Medicaid payments going forward, because there's   | 9     | A. I don't know how I don't know how this   |
| 10       | changes at the state level.                        | 10    | impacts the AWP. I or the drug piece of this.   |
| 11       | C  | 11    | Generally, I'm familiar with the CPT codes that are                                   |
| 12       |  | 12    | part of this.   |
| 13<br>14 |  | 13    | Q. Are you involved in sending out a  |
| 15       | r  | 14    | notification to physicians of fee schedule updates?                                   |
| 16       |  | 15    | A. No.  |
| 17       | •  | 17    | Q. Now, turning back to the document we marked as Exhibit Cizauskas 001, which is the |
| 1.       | A A A A A A A A A A A A A A A A A A A              | 1 '   | marked as Exhibit Cizauskas UU1, WIIICH IS the  |

21

18 collection of e-mails you looked at earlier, now, I

19 see you're not -- you don't appear to be a sender

22 files. Do you have an understanding as to how

counsel represented these were produced from your

20 or recipient of any of these e-mails, though

18

21

20 hospitals.

A. A -- the most it would be is a specific

22 hospitals specifically will be offered Medicaid

Q. Would the decision be made now as to which

19 subset of hospitals. It would not be all

|          |  | ,  |   |
|----------|--|----|---|
|          | 226  |    | 228   |
| 1        | these documents came to be in your files?              | 1  | Q. Okay. So, you have no familiarity with   |
| 2        | A. No.   | 2  | what those contracts provide as to reimbursement to   |
| 3        | Q. Have you ever seen any of these e-mails             | 3  | physicians for drugs administered in office?  |
| 4        | before?  | 4  | A. No. My responsibility is the over-arching  |
| 5        | A. I don't recall seeing them.                         | 5  | contracts around risk and incentives.   |
| 6        | Q. Now, if you look at the the first page,             | 6  | MR. MANGI: Okay. I have no further  |
| 7        | which is 13002, the second e-mail there is from        | 7  | questions for you, but I believe my colleague may   |
| 8        | Eileen Romanowicz, dated December 14, 2004. Who is     | 8  | have a few.   |
| 9        | Ms. Romanowicz?  | 9  | THE WITNESS: Thank you.   |
| 10       | A. She is a former employee of Blue Cross who          | 10 | MR. MIZELL: Yes. Thank you. Just a few.   |
| 11       | reported to John Killion.                              | 11 | EXAMINATION   |
| 12       | . Q. Now, she says she has been working with           | 12 | BY MR. MIZELL:  |
| 13       | others to formulate a strategy around changes in       | 13 | Q. Approximately how many people does Blue  |
| 14       | dialysis reimbursement. " notably, our                 | 14 | Cross Blue Shield employ?   |
| 15       | dependence on AWP and the transition CMS is making     | 15 | A. Oh, I don't know.  |
| 16       | for January 1st, '05."                                 | 16 | Q. Don't know?  |
| 17       | Do you have an understanding as to how                 | 17 | A. A lot.   |
| 18       | BCBS of Massachusetts does reimburse dialysis          | 18 | Q. A lot. Tens of thousands?  |
| 19       | centers?   | 19 | A. No, not tens of thousands.   |
| 20       | A. No.   | 20 | Q. Just thousands?  |
| 21       | Q. Do you have an understanding as to whether          | 21 | A. Yeah.  |
| 22       | or not AWP is involved in reimbursing dialysis         | 22 | Q. Okay. Is there an employee intranet?   |
|          | 227  |    | 229   |
| 1        | centers for drugs administered to patients?            | 1  | A. Intranet?  |
| 2        | A. I'm not aware of that.                              | 2  | Q. You know, some companies, you turn on your   |
| 3        | Q. Do you know what DHCFP is?                          | 3  | computer in the morning and up comes on Internet  |
| 4        | A. No.   | 4  | Explorer. It comes like an internal network.  |
| 5        | Q. Do you know whether or not these documents          | 5  | A. There is, there is a the Blue Web.   |
| 6        | were from your files?                                  | 6  | Q. Yeah, and it's for internal use for  |
| 7        | A. I don't recall ever seeing these                    | 7  | employees?  |
| 8        | documents.   | 8  | A. Career opportunities, HR policies, things  |
| 9        | Q. Let's take a break.                                 | 9  | like that, yeah.  |
| 10       |  | 10 | Q. Okay. Is it searchable if you're an  |
| 11       |  | 11 | employee in a window, type in search terms and see  |
| 12       |  | 12 | what comes up?  |
| 13<br>14 | VIDEO OPERATOR: The time is 3:58. We're on the record. | 13 | <ul><li>A. I don't know. I've never tried it.</li><li>Q. Okay. You don't remember seeing, like, a</li></ul> |
| 15       |  | 15 | search window on the monitor on the home page?  |
| 16       |  | 16 | A. I generally use it for posting job   |
| 17       |  | 17 | postings and HR policies and the calendar, and you  |
| 18       |  | 18 | know, things like that. I've never tried to search  |
| 19       |  | 19 | on it, but that's not to say you can't.   |
| 20       |  | 20 | Q. Okay. The BC 65, what's that stand for   |
| 21       |  | 21 | again?  |
| 22       |  | 22 | A. Blue Care 65.  |
| 18       |  |    |   |

#### Sheila R. Cizauskas HIGHLY CONFIDENTIAL March 10, 2006 Boston, MA

230 provider's own improvement from one year to the 1 Q. Are the participants -- and I mean the individuals, not the providers -- are they enrolled next, or their relationship to the network at 3 in Medicare, or is this, like, opt out of enrolling 3 in Medicare and enroll in this instead? 4 Q. So, an incentive being provided to keep a 5 A. This is Medicare eligibles who select a particular provider at a particular range of use of private insurer for their benefits. using radiology? 7 Q. Okay. So, they're not also enrolled in 7 A. It's to improve upon their utilization of 8 Medicare at the same time? -- of certain -- certain radiology tests. 9 A. I don't believe so. 9 Q. So, would Blue Cross Blue Shield be 10 O. You're familiar with folks that do enroll seeking to encourage the use -- you mentioned CT 11 in Medicare, sometimes they also enroll in Medi 11 scans this morning, didn't you? 12 Gap-type policies? 12 A. Uh-huh. 13 A. Yes. 13 Q. Are you seeking to encourage the use of 14 Q. Are the participants in Blue Care 65 --14 those scans? does that function as providing both Medicare and 15 A. It's to encourage the appropriate use of -- and I couldn't get into what the clinical 16 Medi Gap coverage to them? 17 A. No. criteria is for using one type of test versus Q. So, they would still have a 20 percent 18 18 another. 19 copay as they would in the Medicare context? 19 Q. Is it a -- is it a carrot-and-stick-type 20 A. No, the Blue Care 65, it's like an HMO approach where there might be offsets or some kind 20 product for Medicare recipients. And I can't speak 21 of penalties -to the specific benefit design, but there is a A. No, it's a --231 233 copay and premium, monthly premium. 1 Q. - if they were to inappropriately use 2 Q. Is it -- do you know -- for the 2 radiology? 3 beneficiaries is it a -- is it a flat or a 3 A. No, it's an upside incentive only. percentage-based copay? 4 Q. Okay. Are you familiar with Blue Cross 5 A. I can't speak to the benefit design. Blue Shield having been the Part B carrier for 6 Q. Okay. Earlier this morning we were Massachusetts? talking about some of the incentive contracts, and 7 A. Not really. I think we were talking about -- I may say this 8 Q. Are you -- have you ever heard of that 9 wrong -- tertiary hospital incentives. 9 before? 10 A. Yes. 10 A. I'm familiar with the Med Ex wrap-around 11 Q. We talked about efficiency goals, and one 11 products. Is that what you mean by "Part B"? example you provided was appropriate use of 12 Q. No. 13 radiology. 13 A. I didn't think so. No. 14 A. Correct. 14 Q. Have you ever attended a meeting where 15 Q. And I'm curious what Blue Cross Blue anyone discussed Blue Cross Blue Shield having 16 Shield -- what would -- what would they want to -previously been the Part B carrier for or what would it want to incentivize with respect 17 17 Massachusetts? 18 to the appropriate use of radiology? 18 A. Not that I recall. 19 A. We look at the network average and trends, 19 Q. Or receive any e-mails or newsletters or 20 you know, how much it -- how much utilization is documents discussing that? 20 21 growing from one year to the next, and we provide 21 A. Not that I recall offhand, no. 22 incentives around -- either improvement --Okay. Are you aware of anybody currently

|          | 234  |          | 236   |
|----------|--|----------|---|
| 1        | employed at Blue Cross Blue Shield that used to  | 1        | I have read the foregoing transcript of   |
| 2        | handle its Part B carrier business?              | 2        | my deposition and except for any corrections or   |
| 3        | A. Say that again.                               | 3        | changes noted, I hereby subscribe to the transcript   |
| 4        | Q. Anybody currently employed at Blue Cross      | 4        | as an accurate record of the statements made by me.   |
| 5        | that used to handle its Part B carrier business? | 5        | ·   |
| 6        | A. I don't know. I don't know.                   | 6        |   |
| 7        | Q. Or anybody who used to be employed here       | 7        |   |
| 8        | that used to handle those, do you know any of    | 8        | SHEILA R. CIZAUSKAS   |
| 9        | those?   | 9        |   |
| 10       | A. No.   | 10       |   |
| 11       | Q. Okay. The the contracts that you were         | 11       | Subscribed and sworn to before me   |
| 12       | just talking about right before I started asking | 12       | this, 2006.   |
| 13       | you questions about whether or not they had the  | 13       |   |
| 14       | lower-of component                               | 14       |   |
| 15       | A. Correct.                                      | 15       | Notary Public   |
| 16       | Q would we need to look contract by              | 16       | My Commission Expires:  |
| 17       | contract to see if that term was included?       | 17       |   |
| 18       | A. On the physician side?                        | 18       |   |
| 19       | MR. COCO: Objection.                             | 19       |   |
| 20       | Q. Yes.  | 20       |   |
| 21       | A. I'm not responsible for the physician side    | 21       |   |
| 22       | of the house. So, I don't know.                  | 22       |   |
|          | 235  |          | 237   |
| 1        | (Counsel confer.)                                | 1        | Commonwealth of Massachusetts   |
| 2        | MR. MIZELL: I have no further questions.         | 2        | Middlesex, ss.  |
| 3        | Thanks.  | 3        |   |
| 4        | MR. COCO: No questions.                          | 4        |   |
| 5        | VIDEO OPERATOR: The time is 4:06. The            | 5        | I, P. Jodi Ohnemus, Notary Public   |
| 6        | deposition is concluded. We're off the record.   | 6        | in and for the Commonwealth of Massachusetts,   |
| 7        | (Whereupon the deposition suspended              | 7        | do hereby certify that there came before me   |
| 8        | at 4:06 p.m.)                                    | 8        | on the 10th day of March, 2006, the deponent  |
| 9        |  | 9 .      | herein, who was duly sworn by me; that the ensuing  |
| 10       |  | 10       | examination upon oath of the said deponent was  |
| 11       |  | 11       | reported stenographically by me and transcribed   |
| 12       |  | 12       | into typewriting under my direction and control;  |
| 13       |  | 13       | and that the within transcript is a true record of  |
| 14       |  | 14       | the questions asked and answers given at said   |
| 15       |  | 15       | deposition.   |
| 16       |  | 16<br>17 | I ELIDTHED CEDTIEN that I am maith an   |
| 17       |  |          | I FURTHER CERTIFY that I am neither   |
| 18<br>19 |  | 18<br>19 | attorney nor counsel for, nor related to or   |
| 20       |  | 20       | employed by any of the parties to the action in which this deposition is taken; and, further, |
| 21       |  | 21       | that I am not a relative or employee of any   |
| 22       |  | 22       | attorney or financially interested in the outcome   |
| 122      |  | 22       | autorney of imanciany interested in the outcome   |

|          | 238  |
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| 1        | of the action.   |
| 2        | of the action.   |
| 3        | IN WITNESS WHEREOF I have hereunto set my  |
| 4        | hand and affixed my seal of office this  |
| 5        | 10th day of March, 2006, at Waltham.   |
| 6        |  |
| 7        |  |
| 8        | And the state of t |
| 9        |  |
| 10       | P. Jodi Ohnemus, RPR, RMR, CRR   |
| 11       | Notary Public,   |
| 12       | Commonwealth   |
| 13<br>14 | of Massachusetts My Commission Expires:  |
| 15       | 4/21/2007  |
| 16       | 4/21/2007  |
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# HIGHLY CONFIDENTIAL Boston, MA

|  | 3                   |                         |                     |                         |
|--|---------------------|-------------------------|---------------------|-------------------------|
| A  | 152:14              | 10:2 13:18              | 227:18              | 184:1 215:12            |
| Aamangi@pbwt                                     | actuarial 116:6,9   | administrative          | amounts 21:13       | ancillary 92:12         |
| 4:20   | 129:4 172:10,12     | 11:17,18 27:20          | 25:1 28:13 36:20    | 129:6                   |
| abandoned 16:4                                   | 173:15,17           | 58:14,17 173:7,9        | 37:9,13,15,19       | Andreana 116:10         |
| able 38:6 73:22                                  | actuary 179:20,22   | adopt 50:17             | 53:3 80:14,17       | 116:18 186:3            |
| 93:13 160:9                                      | 186:5               | adopted 37:4 49:22      | 111:20 119:3        | anesthesia 184:10       |
| accept 38:5                                      | acute 64:12 215:2   | advice 50:12            | 139:9 208:19        | annual 149:17           |
| acceptable 54:15                                 | ad 75:19            | advocating 218:4        | analysis 6:13 39:18 | annually 149:9          |
| 54:22 56:20                                      | additional 19:17    | affairs 213:19          | 40:6,8 61:22 71:6   | answer 25:3 185:1       |
| accepted 64:4                                    | 83:7 85:4 88:19     | affect 18:8 223:8       | 71:12 73:13         | 186:1 200:21            |
| 178:11   | 89:2 195:14,18      | affiliated 85:2,21      | 74:18 90:20         | answered 143:8          |
| accepting 58:2                                   | 197:2 207:1         | affiliation 86:5        | 101:17 132:1,11     | answering 197:10        |
| access 22:17                                     | 210:12              | affixed 238:4           | 132:20 134:22       | answers 237:14          |
| accommodate                                      | address 7:4 218:3,5 | AFTERNOON               | 135:5 136:4,10      | anticipate 149:3        |
| 132:16   | 218:17              | 154:4                   | 136:13 137:4,20     | 219:5                   |
| accomplished                                     | Adeel 4:16 7:14     | agenda 172:18           | 138:2,14,20         | anticipated 147:10      |
| 74:15  | 159:17 197:9        | 192:14                  | 140:7,20 141:8      | 147:22 148:10           |
| account 15:20                                    | adequate 22:16      | aggregate 53:22         | 141:12,15 142:2     | 221:21                  |
| 18:18 24:16                                      | 29:2 38:7 44:4      | 55:7 156:21             | 143:4,10,16         | anybody 233:22          |
| 113:2  | 210:22              | ago 110:3 115:20        | 154:14,18,19        | 234:4,7                 |
| accounting 12:2                                  | adjust 203:1,14     | agreed 117:2,4          | 156:18 164:3        | <b>APC</b> 166:19 167:1 |
| accounts 39:10                                   | adjustment 113:1    | 128:2 131:13            | 167:21 173:20       | 167:17                  |
| 109:10   | administer 7:13     | agreement 61:5          | 176:11 181:22       | APCs 132:14             |
| account-specific                                 | 144:12              | 197:15                  | 183:2,14 187:5      | 166:20                  |
| 39:17  | administered 20:8   | ahead 73:11 80:4        | 198:11 199:13       | <b>APG</b> 166:19 167:9 |
| accurate 236:4                                   | 21:1,5 38:11,18     | 160:6 195:13            | 202:3 203:7         | 167:10,15               |
| achieve 90:21                                    | 42:15 57:2 59:11    | 218:19                  | 204:4,5,8,9         | APGs 132:14             |
| acquire 57:16                                    | 60:4 61:12 91:3,9   | <b>AHRQ</b> 93:14 94:14 | 205:12,15,17        | appear 225:19           |
| 118:18,22 119:3                                  | 102:14 104:3,17     | alarm 177:9,17          | 207:16,18,19,22     | appearances 3:1         |
| 120:8 183:5,13                                   | 113:6,10,18         | 178:8                   | 215:9 222:12        | 4:1 5:1 7:12            |
| acquired 11:13                                   | 114:11 115:12       | allow 117:2             | analyst 30:14 39:6  | appended 74:9           |
| acquisition 119:10                               | 120:22 123:3        | allowed 34:1            | 116:19 173:3        | apple 94:14             |
| 206:2,4  | 124:7,16 125:17     | altruistic 211:7,14     | analysts 71:2       | applicable 2:3          |
| acronym 69:2                                     | 126:3 133:14        | ambulatory 166:21       | analytical 152:10   | 24:20 34:10             |
| 93:20 94:1 207:6                                 | 137:6 139:11        | amendments 194:3        | 155:5               | applied 23:16,17        |
| acronyms 93:12                                   | 144:20 148:21       | 195:17                  | analyze 72:16       | 23:20 50:20 51:4        |
| action 188:10                                    | 167:5 168:1         | Americas 4:17           | 130:4 133:13        | 51:6,11 52:9            |
| 237:19 238:1                                     | 169:9 174:1         | amount 21:4 22:3        | analyzed 139:9      | 55:15 56:7 60:9         |
| ACTIONS 1:11                                     | 175:8 185:16        | 28:22 29:7 37:12        | 189:4               | 66:6,7,10 113:22        |
| active 17:15                                     | 227:1 228:3         | 42:11 47:5 49:4         | analyzing 39:13     | applies 91:16           |
| actual 32:4 73:11                                | administering 94:6  | 53:16 55:12             | 131:16 165:2        | 145:13                  |
| 80:7 122:17                                      | administration      | 143:22 144:11,19        | 175:6 182:19        | apply 37:8 51:12        |
|  |                     |                         |                     |                         |
| artin timber to a few courses were say a manager |                     |                         |                     | •<br>                   |

## HIGHLY CONFIDENTIAL Boston, MA

March 10, 20

| 1  |                          |   |  |                          |
|--|--------------------------|---|--|--------------------------|
| 60:5 91:19   | 46:12,13,18 47:8         | 87:6 146:19   | 181:22 231:19  | 225:6,6,10               |
| 100:11   | 47:10 48:4 61:9          | 152:10 157:5  | AW 145:10  | 226:15,22                |
| applying 42:10   | 62:14 100:21             | 163:18 194:4  | awaken 199:8   | AWP-based                |
| 53:14  | 101:2 102:8,20           | 204:5 207:14  | aware 59:4 75:10   | 111:17 114:6             |
| appointments   | 103:15 104:16            | Associates 193:15   | 75:14,17 76:9  | 126:3 130:19             |
| 11:20,21   | 105:10 107:17,18         | 193:16 194:17,22  | 81:10,12,16  | 133:19 134:3             |
| approach 31:12   | 108:1 109:6              | 196:8,12  | 82:13,18 83:6  | 136:6 137:5              |
| 128:4 132:17   | arrival 93:2 107:5       | association 96:22   | 101:19 104:4,14  | 140:22 141:17            |
| 149:2 189:9  | 205:8                    | assume 86:15  | 108:22 115:15  | 143:5 147:4,12           |
| 190:6,9 232:20   | arrived 91:14 95:5       | 162:3   | 123:7 152:21   | 147:17 148:3,21          |
| appropriate 43:22  | 107:7 171:5              | assumes 185:1   | 153:7,18 162:17  | 150:14 151:5,18          |
| 79:22 81:8 87:4  | 191:12                   | 206:10  | 166:2,5 174:3,6  | 155:19 165:11            |
| 127:6 231:12,18  | arthritis 23:16          | attached 97:22  | 174:20 175:15,18   | 177:16 183:15            |
| 232:15   | aside 66:16 82:12        | 207:1   | 181:13 191:5,13  | 202:12 211:20            |
| approval 153:4,7   | 100:16 164:21            | attack 94:6   | 211:14 212:4,5   | AWP-related              |
| approximate  | asked 30:16 40:18        | attempt 36:1  | 212:15,17 227:2  | 189:3                    |
| 221:10   | 41:9 114:7 127:4         | 177:12  | 233:22   | <b>A-H-R-Q</b> 93:14     |
| approximately  | 143:8 158:17             | attend 13:8,10  | awful 171:8  | <b>A-1</b> 196:10        |
| 25:18 72:19  | 162:7 178:6              | 180:19  | AWP 113:13 114:2   | A-1s 196:17              |
| 73:15 132:21   | 181:4 185:4              | attendance 181:17   | 115:5,5,6,13,16  | <b>A-3</b> 196:14,18     |
| 147:18 220:14  | 237:14                   | attended 71:5   | 117:10 119:21  | <b>a.m</b> 2:11 7:7 69:2 |
| 228:13   | asking 8:14 134:19       | 233:14  | 120:21 121:11,13   |                          |
| <b>April</b> 44:13   | 143:3 234:12             | attendees 188:1   | 122:2,9,14   | B                        |
| area 16:17 19:14   | asks 79:1                | attention 141:13  | 125:18,19 126:13   | <b>B</b> 6:9 23:21 233:5 |
| 19:15 30:13 35:6   | ASP 121:15,17,20         | 169:14 188:3  | 126:15 133:4   | 233:11,16 234:2          |
| 35:10,11,21 44:1   | 122:2,8,14               | 201:1   | 134:6,9,12 135:8   | 234:5                    |
| 57:7 73:19 80:12   | 174:21 176:9             | attorney 237:18,22  | 135:21 136:14,18   | bachelor 10:1            |
| 128:13 143:22  | 177:2 178:13             | attract 44:4  | 136:19,21 138:6  | bachelor's 12:18         |
| 157:14 180:7   | aspects 184:6,7          | author 206:8  | 138:7 139:20   | 14:3                     |
| 199:3  | aspirin 94:6             | authority 86:9  | 140:3,9,16,18  | back 9:17 31:17          |
| areas 13:16 43:16  | <b>ASP-based</b> 123:2,8 | automatic 224:4,5   | 141:4,9,11 142:3   | 74:21 99:8               |
| 44:3 45:10 80:9  | 173:22 175:19            | automatically   | 145:8,10,15  | 110:16 115:9             |
| 92:16 128:10   | 177:15 181:7             | 78:22   | 147:21 149:7,22  | 135:16 183:9,10          |
| 129:2,14 143:17  | 182:13                   | available 89:2  | 161:14,16,19   | 196:19 203:4             |
| arithmetic 221:7   | assess 72:10             | 143:16 195:22   | 162:7 163:20   | 221:13 225:16            |
| arrangement 48:7   | assessed 84:10,11        | 196:2 211:1   | 165:4 174:5,10   | background 9:19          |
| 48:8,11 99:12  | 84:12,15                 | 224:3   | 176:4 178:2,10   | Bacon 5:4 7:17           |
| 102:9,10,18,19   | assessing 182:12         | Aventis 5:10 7:17   | 185:17 189:2   | balance 100:20           |
| 104:13 107:11  | assignment 40:16         | Avenue 4:17   | 191:21 192:3   | band 27:9                |
| 109:1,2,4,15,16  | assistance 212:8         | average 1:7 6:13  | 201:2,9,12 202:3   | banding 28:5             |
| 109:17 185:13  | 217:2,2,12 223:3         | 7:9 114:15,17,20  | 202:16,18 204:5  | bank 12:16,17            |
| arrangements   | associated 22:5          | 115:1 121:18  | 204:6,8 206:1,2,3  | banking 12:15            |
|  |                          |   |  | bargaining 30:1          |
| the state of the s | ı                        | Charlestole . S. Mark Alberta China and Mark Chinase & 19 | s garage and some major the consequence of a garage of | •                        |

## HIGHLY CONFIDENTIAL Boston, MA

| based 8:19 47:2,22  | 145:18 146:4             | <b>Belknap</b> 4:14 7:15  | 138:13 141:9              | BSC 13:14                 |
|---------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| 47:22 48:1 50:13    | 147:15 160:20            | benchmark 122:21          | 142:17 171:6              | bucket 132:7,8            |
| 83:8 85:4 87:18     | 170:2 176:14             | benchmarks 119:4          | 176:18 177:7              | 133:3 135:18              |
| 115:16 137:3        | 184:21,22 190:11         | Bend 104:18 105:6         | 178:20 181:5,5            | 170:19                    |
| 140:8,20 141:8      | 195:20 198:20            | 106:20 109:14,14          | 198:15 200:1              | bucketed 132:9            |
| 141:11 149:1        | 199:9 205:8              | 110:2 111:17,20           | 206:11,11,14,14           | budget 46:22 47:3         |
| 205:10              | 209:18 210:14            | 112:16 113:5              | 206:17,17 210:18          | 47:12                     |
| <b>bases</b> 94:3   | 213:8 214:16,22          | 115:9,11,20               | 212:4,14,14,18            | budgeted 46:21            |
| basically 43:19     | 215:5,11,19              | 116:4 117:1,9             | 213:12 217:15,17          | 47:15 61:8,20             |
| 87:15               | 216:3,9 217:7            | beneficiaries 231:3       | 217:17 226:10             | 101:3                     |
| basis 25:1 56:15    | 219:5,11,18              | benefit 142:8             | 228:13,14 229:5           | build 31:15 210:11        |
| 88:19 111:10        | 226:18 227:16            | 230:22 231:5              | 229:22 230:14,20          | <b>building</b> 30:8 34:9 |
| 124:10 126:2        | BCBSMA 6:17              | benefits 61:17,21         | 231:15,15 232:9           | bullet 187:11 188:4       |
| 135:7,8 136:4,12    | 193:1 207:2              | 103:18 230:6              | 232:9 233:4,5,15          | 188:7,20 189:7            |
| 139:20 148:20       | BCBSMA-AWP               | Berman 3:3 7:22           | 233:15 234:1,1,4          | 191:14,22 192:4           |
| 149:17 156:16       | 6:12,16,18,19,20         | best 18:3 34:16           | board 27:5 51:8,18        | 192:5,6,9                 |
| 169:22              | 6:21 159:8 161:1         | 115:21 185:6              | 75:3 225:2                | bumps 82:1                |
| basket 20:10 21:17  | 187:13 197:18            | better 28:12 87:16        | body 153:3                | burden 58:15,18           |
| Bates 160:22 194:6  | 200:4 205:5              | 185:4                     | bonus 89:2                | business 7:4 10:2         |
| 194:22 206:7        | 206:7,19                 | beyond 80:6               | born 11:8                 | 13:17,18 27:17            |
| 208:8 224:7         | beats 87:16              | 161:15 214:5              | boss 71:20 72:22          | 109:5,7,9 113:14          |
| <b>BC</b> 184:16,18 | beat-the-trend           | BH 192:21                 | 76:13 116:6,11            | 119:18 211:6              |
| 185:8,15 198:11     | 87:14                    | big 35:5 176:19           | 116:13,14 127:8           | 216:9 234:2,5             |
| 198:22 199:6,11     | began 65:11 131:2        | bill 49:20 60:3           | 127:9 222:7               | buy 120:15                |
| 202:6 229:20        | 133:1,5                  | 102:12 124:17             | <b>Boston</b> 1:20 2:10   |                           |
| BCBS 44:14 63:22    | beginning 110:16         | 136:7,8,14                | 3:18 4:8 7:11             | C                         |
| 65:1 69:10 82:21    | 111:13                   | 139:16 140:5              | 45:7                      | calculated 114:1,3        |
| 86:1 90:7,16 91:7   | behalf 2:2 38:21         | 141:6 155:17              | <b>bottom</b> 192:14      | 139:18                    |
| 92:7 95:12 96:2     | 86:10 96:20              | 227:19                    | 197:20 208:13             | calculation 47:2          |
| 99:11 100:4         | 110:21                   | billed 135:6              | Boulevard 5:6             | calculations 155:19       |
| 101:5 104:8         | Behavioral 192:22        | billing 136:6             | <b>Boylston</b> 1:19 2:10 | calendar 209:3            |
| 106:2 107:4,12      | behaviors 97:14          | bit 9:17 70:10            | 3:16 7:10                 | 229:17                    |
| 107:15 112:17       | <b>believe</b> 8:19 12:5 | 82:19 101:11              | break 69:16 106:12        | <b>call</b> 50:18 67:10   |
| 113:4,17 116:3      | 12:13 39:3 43:10         | 102:4 103:8               | 106:19 154:7              | 82:9 141:12               |
| 117:2,7,14          | 55:19 59:13              | 117:12 137:13             | 186:11 199:17             | <b>called</b> 2:2 16:20   |
| 118:14 120:22       | 62:10 67:4 74:3          | 178:14                    | 227:9                     | 23:17 45:22               |
| 121:8 123:1,22      | 75:6 104:21              | <b>Blue</b> 3:21,21 4:3,3 | breakdown 65:13           | 46:21 184:16              |
| 124:5 125:10,21     | 121:14,18 155:1          | 4:10,10 7:19,19           | breaking 151:1            | calling 11:20             |
| 137:4 138:7         | 181:10 189:1,6           | 8:2,3 9:8,8,11,12         | <b>bring</b> 16:13 29:12  | Cambridge 3:8             |
| 139:8,18,22         | 204:13 228:7             | 63:19,19 64:4,5           | 36:1 203:3                | cap 61:8                  |
| 140:7,20 141:16     | 230:9                    | 65:12 109:11              | brought 127:11            | capacity 162:15           |
| 142:12,15 143:21    | believed 171:8           | 110:15 134:4,4            | 131:14                    | capitated 61:16           |
|                     |                          |                           |                           | 103:1,5,12,14,16          |
|                     |                          |                           |                           | i                         |

# HIGHLY CONFIDENTIAL Boston, MA

March 10, 20

|                    |                        |                            | 1                    |                          |
|--------------------|------------------------|----------------------------|----------------------|--------------------------|
| 103:16 104:18,20   | 229:8                  | centralized 48:13          | <b>charge</b> 124:17 | 6:3,12,13,16,17          |
| 107:4 184:22       | cares 210:19           | 86:8,9 96:19               | 126:8 132:8          | 6:18,19,20,21 7:8        |
| 193:12,21          | Caritas 202:2,10       | Centrella 180:6            | 140:5 141:6          | 8:4,5,6 9:5              |
| capitation 46:21   | 207:6,11,12            | ceremonial 131:12          | 142:5 155:21         | 106:18 154:7             |
| 47:4,12,13,15      | 210:1                  | certain 44:3 48:18         | 165:4 172:6,15       | 159:6,9,11               |
| 61:8,19,20 97:20   | Carlene 128:19         | 54:2 55:12 56:5            | 173:8,10 176:22      | 160:19 161:3,7           |
| 98:4,9,14,17,18    | carried 135:1          | 83:9 85:1 88:18            | 184:8 200:13         | 164:9 181:21             |
| 98:20 101:3,4      | 137:4                  | 92:4 139:10                | 213:15 227:19,22     | 182:1 186:17             |
| 103:17,20 104:6    | carrier 233:5,16       | 179:10 180:9               | charges 49:20        | 187:14,16 193:1          |
| 104:16,22 105:2    | 234:2,5                | 232:8,8                    | 124:9,11 126:10      | 193:4 197:17,19          |
| 105:4,5,6,10       | carrot-and-stick       | certainly 83:6             | 127:4 132:7          | 197:21 200:3,4           |
| 106:3,22 107:8     | 232:19                 | 199:12                     | 133:11 136:7,8       | 205:3,4,6 206:20         |
| 107:11,17,17,22    | carry 132:2 162:4      | <b>certified</b> 2:5,6 7:3 | 136:14 139:16        | 206:21 225:17            |
| 109:1,4,15         | 183:3                  | certify 237:7,17           | 142:22 171:1         | 227:15 236:8             |
| 110:11,17,19,22    | case 28:17 41:13       | chairman 27:5              | charge-based         | Cizauskas's 160:1        |
| cardiac 21:11      | 97:8,10 122:11         | challenges 81:14           | 125:11 202:13        | 160:8                    |
| cardiologist 10:19 | 122:12,18,18           | 81:18                      | Chenette 116:18      | <b>claim</b> 59:15 79:14 |
| 21:12              | 141:10 224:5           | chance 201:6               | <b>chief</b> 179:20  | 80:7,18 112:19           |
| care 14:16 17:6,10 | cases 79:3 97:5        | <b>change</b> 19:10 37:9   | child 11:8 12:6,13   | claims 79:15,16          |
| 18:5 20:13,16      | 122:19 134:6,9         | 37:12 44:8 80:17           | Christie 207:11      | 80:9 81:4,7              |
| 25:8,9,16,22 26:2  | 134:12,15              | 89:9 106:11                | chronological        | 102:21 110:21            |
| 26:21 27:10 28:3   | cash 208:14,16,19      | 146:12 148:6               | 12:21                | 128:11 129:14            |
| 29:21 30:5,7,11    | 209:2,19,22            | 149:2 169:16               | chronology 130:15    | 165:9 166:3,7            |
| 30:21 31:2,4,5,9   | 210:4 211:19           | 178:4 190:5,7,17           | 196:21               | clarification 41:10      |
| 31:18,19 32:3,10   | Cassette 106:17        | 190:19 198:12              | CIGNA 14:13,14       | clarified 160:19         |
| 32:15,20 33:5,6,7  | 186:16                 | 203:5 225:7                | 14:17,20 15:4,7      | clarify 109:3            |
| 33:14,15 34:1,2,8  | categories 83:13       | changed 65:14              | 15:22 16:9,15        | Clark 14:1               |
| 36:20 37:2,6,13    | 89:12,15 92:13         | 67:12 80:14                | 18:9,14,15 19:1,8    | class 7:22               |
| 37:18 38:5,12,21   | 132:10 155:20          | 101:4,9                    | 19:13 20:3,4,21      | classifications          |
| 40:11,14 41:3,4,7  | category 40:9 55:9     | changes 36:16              | 21:14 23:5 24:8      | 166:21                   |
| 41:12,19,21 42:6   | 55:20 84:15            | 143:22 144:1               | 25:7 31:10 36:19     | cleanup 184:14           |
| 42:14 44:11        | 89:19 91:6 103:5       | 152:11 167:21              | 37:1                 | clear 56:1               |
| 50:10 51:21 63:7   | 132:18 133:6,11        | 169:7 189:9                | circulated 155:11    | Clearly 199:1            |
| 64:12 68:11,11     | 154:15 171:9           | 195:17 223:10              | circumstances        | client 16:15             |
| 83:8,19,22 86:12   | 184:4                  | 226:13 236:3               | 114:9 123:9          | clients 75:20            |
| 91:17 95:9,9,11    | cause 177:9 178:8      | changing 176:9             | 134:2 210:3,6        | Clinic 104:20,22         |
| 118:18 184:18      | caused 177:16          | 198:21 199:11              | Ciresi 2:9 3:14      | 106:20                   |
| 198:16 200:1       | CCNS 207:2,6,10        | channel 59:9               | 7:19                 | clinical 11:16           |
| 212:7 215:2        | <b>CD</b> 159:22 160:8 | characterization           | cities 35:5          | 232:16                   |
| 224:13,13,15       | Center 4:6 197:4,7     | 164:13 167:4               | City 5:7             | close 35:8 54:7          |
| 229:22 230:14,20   | centers 226:19         | characterized              | Civil 2:4            | 203:4                    |
| career 117:22      | 227:1                  | 166:18                     | Cizauskas 1:18 2:2   | closer 224:18            |
|                    |                        |                            |                      |                          |
|                    | I                      | 1                          | I .                  |                          |

## HIGHLY CONFIDENTIAL Boston, MA

March 10, 2006

| <b>IS</b> 6:13 175:18                                 | 183:17 190:13        | 229:3,4,12   | <b>comp</b> 16:3   | computer 161:13    |
|---|----------------------|--|--------------------|--------------------|
| 81:22 226:15  | 191:3 197:9          | coming 147:20  | companies 25:12    | 162:1,2,3,8,18     |
| <b>IS's</b> 174:20                                    | 199:16,19 203:8      | 149:6,21 150:10  | 25:14 26:8,11      | 170:7 229:3        |
| co 3:15 7:18,18                                       | 204:12 205:14,19     | 150:15 151:4   | 33:3,10,12,22      | concentration 35:9 |
| :10,19 25:3   | 206:10,13 207:20     | 152:17 153:13  | 229:2              | concept 57:19      |
| 5:18 28:9,15  | 208:2 209:11         | 164:16 179:12  | company 9:15       | 167:17             |
| 9:3,9,16 30:3   | 211:4,8,16 213:4     | 220:1 222:14   | 45:17 107:5        | concern 58:19 66:4 |
| 6:22 38:9 43:1  | 214:19 216:12,14     | 223:15   | 108:19 146:19      | 111:6,8 170:21     |
| 3:18 48:2,10  | 217:5,8,14,21        | commencing 2:11  | 156:20 157:6       | 177:20,22 178:1    |
| 2:3 53:6,20 54:9                                      | 218:6,11 219:3,8     | commercial 26:16   | 171:20 179:7,15    | 199:4              |
| 4:19 55:16 56:9                                       | 219:14 220:17        | 191:15 203:2,4   | 181:2 191:11,12    | concerned 110:7    |
| 0:1,7,13 61:18  | 221:4 222:2          | 203:15,18 211:2  | 195:22 205:1,10    | 111:2              |
| 2:3 63:13,16  | 223:1,17 225:8       | 211:5 212:12   | 223:12             | concerns 58:8,10   |
| 6:2,20 67:3,9   | 227:20 234:19        | 216:16,20 217:1  | compare 133:18     | 58:17 59:3 117:7   |
| 3:18 74:10  | 235:4                | commission 127:4   | compared 139:22    | concluded 107:7    |
| 5:13 76:18,22   | code 22:2 60:3       | 130:3 236:16   | 140:2 141:5        | 140:8 235:6        |
| 7:12,22 79:11   | codes 59:21 135:18   | 238:14   | comparing 155:17   | conclusion 170:1,5 |
| 9:19 80:5 81:5  | 135:19,20,22         | commissioned   | comparison 133:22  | condition 209:13   |
| 1:17 82:3,8,17  | 184:10,11,11         | 127:12 128:3,7   | 143:12             | 209:16             |
| 7:8 88:8,21   | 225:11               | 130:17 131:1,7   | comparisons 206:3  | conditions 209:9   |
| 01:6,15 102:1   | collaborative        | 131:10 132:3   | compensation       | confer 235:1       |
| 03:19 105:13  | 116:19 172:8         | committee 71:1   | 102:21             | confidential 1:15  |
| 06:5 107:19   | colleague 228:7      | 128:16 177:3   | competing 29:20    | 8:13,22            |
| 08:2,8 111:11   | collected 23:4       | <b>common</b> 105:11   | 171:22             | conflict 216:2     |
| 12:9 119:7  | collection 225:18    | Commonwealth   | complete 10:4 14:8 | confusion 33:22    |
| 20:5,12,19  | College 13:11        | 2:8 237:1,6  | 73:12 77:2 148:1   | conjunction 151:10 |
| 21:9 122:10   | <b>column</b> 205:22 | 238:12   | 161:2 197:15       | 204:9              |
| 26:5,14 130:5   | 206:2                | communicated   | completed 13:13    | connected 86:20    |
| 30:21 134:14,18                                       | combination 61:4     | 170:6,9  | 13:20 14:9 25:6    | Connecticut 10:15  |
| 35:9 136:9,17   | come 28:20 29:18     | communicating  | 130:8 147:18       | 10:17,18,20 30:9   |
| 37:11 138:10  | 104:12 106:1         | 76:16 212:22   | component 66:1,9   | 30:18 34:9,10,16   |
| 40:13 141:2,7   | 108:17 111:14        | communication  | 66:16 67:5 86:15   | 34:19 35:5,11,16   |
| 41:20 142:1,16  | 114:2,5 125:9        | 75:22 76:7   | 137:13 144:4       | 35:17 41:2,20      |
| 43:8,13 144:3   | 129:3 133:8          | communications   | 187:11 207:17      | 42:7               |
| 45:9,22 146:16  | 145:12 146:7         | 176:7  | 234:14             | connection 86:12   |
| 48:4 149:4,16   | 148:11,22 150:2      | communities 35:8   | components 25:4    | 87:1               |
| 50:18 151:1,6   | 150:5 169:22         | community 24:13  | 144:8 146:8        | cons 222:21 223:6  |
| 51:21 153:5,16  | 170:5 180:7          | 118:9,18 210:19  | 149:8 189:3        | conscious 126:7    |
| 55:7 159:17   | 202:19 219:7,19      | 210:22   | 194:12 195:15      | consciousness      |
| 60:2,6 164:12   | 221:9                | community-level  | 198:15 201:13      | 42:17              |
| 70:15 175:21  | comes 105:22         | 85:16  | comprehensive      | consensus 152:1    |
| 76:17 177:19,21                                       | 111:1 112:20         | commute 64:3   | 20:18 23:14        | consider 173:21    |
|   |                      |  |                    |                    |
| and with the transfer to the same and the transfer of | I                    | The second of th |                    |                    |

#### HIGHLY CONFIDENTIAL Boston, MA

March 10, 20

| 176:15 177:2  | 114:20 119:15,16   | 128:12 129:6   | controversial  | 202:7 203:7              |
|---|--|--|--|--------------------------|
| consideration   | 121:13 230:19  | 136:1 151:11   | 57:20,22   | 204:18 207:3             |
| 117:18 154:13   | continue 147:16  | 152:21 158:7,10  | CONT'D 4:1 5:1   | 209:8 218:1              |
| 167:20 168:4  | 148:5,8,20   | 164:2 180:1  | conveniently 49:6  | 225:4 227:19             |
| 181:6,14  | 188:11   | 185:8 187:10   | conversation 8:13  | 231:14 234:15            |
| considered 108:4  | continued 166:7  | 188:19 189:10  | 75:18 169:2  | corrections 236:2        |
| 123:2 171:17  | continues 105:5  | 205:11   | conversations  | correctly 41:14          |
| 213:1   | 191:22 193:11  | contracts 17:7,21  | 75:19  | 79:22 105:3              |
| considering 141:16  | continuously 166:9   | 18:7 28:6 31:19  | conversion 37:11   | 150:2 171:2              |
| 173:18 176:13   | contract 18:8 31:21  | 33:2 34:4,14 36:4  | 50:19 51:1,3,9,10  | 175:11                   |
| consistency 136:13  | 32:2,5,15,21 36:9  | 37:20 38:20,22   | 51:12,16 52:6,8  | cost 24:10,12 87:2       |
| consistent 113:11   | 36:17 66:11,13   | 39:4 42:21 46:14   | 52:16 53:15  | 87:22,22 88:2            |
| 129:8 180:17,18   | 74:8,9 77:20 78:7  | 47:21 62:13,21   | 54:18 55:1,15  | 89:3,5,9 90:1,16         |
| 190:9,20  | 86:1,7 92:3 95:18  | 63:8,9,11,14 64:6  | 56:6   | 91:3 119:10              |
| consistently 146:2  | 96:2,7,8,10,14,15  | 64:9,10,13,14,16   | coordinator 30:8   | 134:3 138:15             |
| 180:19 181:1  | 96:16 97:6,13,14   | 64:17,18,19 65:3   | 30:11 31:9 33:8  | 189:14 190:3,22          |
| 212:17  | 98:1,11,17 99:5,6  | 65:8,22 66:3,6,8   | 34:8 41:19   | 198:11                   |
| consortium 25:11  | 100:12 105:1,2,4   | 66:17,19 67:2,7  | coordinators 41:22   | costs 24:15,19,22        |
| 29:22   | 105:6 106:1,1,7  | 67:18,18,21 74:1   | copay 230:19 231:1   | 40:7 120:2 212:7         |
| constant 71:5   | 108:17,20 110:11   | 74:3,12 77:10  | 231:4  | counsel 7:12             |
| constituencies  | 110:17,20 111:14   | 78:8,13,19 86:4  | copies 196:1   | 106:10 160:19,20         |
| 212:10 213:13   | 111:15,21,22   | 95:14,15,17,19,21  | <b>copy</b> 155:14 158:13  | 161:1,5 225:21           |
| constituent 33:9  | 112:4 116:17   | 96:3,13 97:7,17  | 163:9  | 235:1 237:18             |
| constituents  | 118:4 124:12,12  | 97:18,21 98:18   | core 93:10 179:10  | counterpart 116:6        |
| 218:16 219:1  | 124:13,18,18   | 99:1 101:8,22  | 179:13 191:19  | 116:8 172:9              |
| constituted 63:9  | 143:15,17 144:22   | 103:11,17 104:4  | correct 22:4,6 32:7  | counterparts             |
| consultant 14:14  | 145:20 148:14,17   | 104:5 106:22   | 38:8 44:16 49:5  | 172:10                   |
| 14:22 168:6,14  | 148:17 149:8   | 107:4 125:9  | 60:22 64:7 80:15   | counting 95:20           |
| 169:6   | 150:6 153:1  | 133:8 144:15   | 90:8,14,19 92:7  | <b>country</b> 26:1,4    |
| <b>consulted</b> 168:8,22   | 157:9,15 189:17  | 148:22 149:14  | 100:12 105:8   | County 34:15 35:3        |
| contact 213:12  | 193:20 195:7,16  | 150:2,5,5,10,15  | 107:2 124:19   | 35:4                     |
| contain 207:15  | 195:18,19 197:6  | 152:17 153:13  | 126:6 135:10   | <b>couple</b> 45:4 46:20 |
| contained 34:22   | 209:20 215:1   | 157:10,12 164:16   | 138:11 139:17,21   | 103:20 185:11            |
| 88:18 96:9 97:17  | 234:16,17  | 191:16 196:2,4   | 140:6 146:4  | course 10:4 81:15        |
| 195:19  | contracted 18:2,2  | 209:7 219:7,18   | 149:10 150:12,17   | 111:21 131:15            |
| containment 89:3,5  | 57:5   | 220:3,6,8 221:8  | 164:19 165:8   | 155:3,6                  |
| contemplated  | contracting 9:7  | 227:15 228:2,5   | 170:16 173:14  | court 1:1 7:11,13        |
| 125:8   | 22:20 24:21 33:8   | 231:7 234:11   | 181:12 184:19,20   | 8:13                     |
| contemplation   | 33:9,13,16 41:5  | contractsthat  | 185:6 188:13   | cousin 88:6,10           |
| 123:7 223:11  | 45:9,13,20,20  | 64:21  | 190:10 191:1   | cousins 88:12            |
| contents 194:10,13  | 49:2 60:17 62:17   | contractual 99:11  | 192:8,20 200:15  | cover 35:18              |
| context 59:6 110:6  | 63:3,4 105:20  | control 237:12   | 200:16 201:16  | coverage 230:16          |
|   |  |  |  |                          |
| Et Anti Time of the second of | to the first of the second | alam dada ahan ni damada kananda Samada Sama | and the second distribution and the second s |                          |

# HIGHLY CONFIDENTIAL Boston, MA

| <b>covered</b> 22:12 45:9 | CVS 90:7                  | decision 18:13       | 143:11 144:21             | 213:9                  |
|---------------------------|---------------------------|----------------------|---------------------------|------------------------|
| covers 95:18 109:4        | CY 208:21                 | 71:18,21 73:10       | 145:7 146:14              | described 61:7         |
| 109:8                     | cycle 189:17              | 73:13 79:8 80:3      | 152:2 153:12              | 69:4 77:7 91:2         |
| <b>CPT</b> 225:11         |                           | 81:21 92:8           | 154:8 163:13,19           | 129:2 162:22           |
| cracks 130:12             | D                         | 125:22 126:7         | 164:4,16 167:19           | 164:1 173:6            |
| creating 46:4             | <b>D</b> 6:1              | - 141:3,9,10         | 168:8 172:7,10            | 211:15 213:7           |
| credentialing 23:1        | daily 94:3                | 142:13 143:4         | 172:12 173:4,15           | describing 17:5        |
| 23:3                      | data 155:9,11             | 146:13 147:19        | 175:5,6 176:2             | description 6:10       |
| criteria 85:14,15         | 215:15                    | 148:6,19 149:5       | 177:1 183:19              | 22:2 168:7             |
| 232:17                    | date 7:6 111:1            | 149:11,12,17         | 185:21 186:1,19           | 180:14                 |
| Cross 3:21 4:3,10         | 151:14 195:4              | 150:8,19 151:3,7     | 187:6 188:8,16            | design 230:22          |
| 7:19 8:2 9:8,11           | 205:9                     | 151:15,17 152:1      | 192:1,7 200:14            | 231:5                  |
| 63:19 64:4,5              | dated 198:3 226:8         | 152:14,16,18         | 200:18 204:10             | designate 8:12         |
| 65:12 109:12              | dates 70:19 110:16        | 153:11 164:14        | 207:16                    | designating 8:21       |
| 110:15 134:4              | 225:3                     | 174:4 210:3          | departments 71:15         | designation 8:15       |
| 138:14 141:9              | day 9:4 62:1 70:1         | 211:18 212:7         | 79:12,18 81:9             | 131:20                 |
| 142:18 171:6              | 117:12 193:7              | 222:4,8,16,20        | 124:7,15 125:16           | designed 36:8          |
| 176:18 177:7              | 224:11 236:12             | 223:11,21 224:2      | 126:1,18 133:15           | 218:9                  |
| 178:20 181:5              | 237:8 238:5               | decisions 34:3       | 139:12 146:6              | desire 15:13           |
| 206:11,14,17              | days 24:8 73:3,7          | 123:5 149:9          | 147:3,11 148:2            | detail 157:17          |
| 210:19 212:4,14           | 74:20 174:18              | 152:6                | 148:22 151:19             | detailing 164:10       |
| 212:18 213:12             | 209:6 222:19              | decision's 76:14     | 165:13 168:1              | details 57:6           |
| 217:16,17 226:10          | 223:12                    | 150:13               | 169:8 170:4               | determine 49:3         |
| 228:14 231:15             | day-to-day 119:17         | <b>Dedham</b> 193:16 | 174:2,22 175:9            | 62:1                   |
| 232:9 233:4,15            | <b>DC</b> 7:5             | 194:16 196:11        | 175:20 183:5              | determined 21:14       |
| 234:1,4                   | deal 185:13               | Defendants 161:6     | 201:10 211:21             | 33:2 36:21 43:22       |
| cross-functional          | dealing 38:17             | deficiencies 164:11  | department-relat          | 48:6 54:22 59:18       |
| 71:2 128:10               | 41:11,12 82:7             | define 100:13        | 125:9                     | 113:9 132:15           |
| 129:2 131:17              | 116:4 130:7               | 102:2                | depended 78:11            | 168:11                 |
| CRR 238:10                | 163:12 197:6              | definition 85:8,12   | dependence 226:15         | <b>Devaux</b> 116:7,14 |
| CT 87:9 232:10            | deals 32:10               | 102:6                | dependent 126:9           | 116:15 127:10,21       |
| <b>curious</b> 231:15     | dealt 82:5                | degree 9:22 10:1,2   | depends 24:9 97:19        | 129:17 170:13          |
| current 9:6 18:17         | <b>Deb</b> 116:7,12,14,15 | 12:18 13:14,20       | 100:13                    | 171:10,14 179:16       |
| 71:7 149:1                | 127:10,21 170:12          | 14:4,11              | deponent 237:8,10         | 180:2 222:7            |
| currently 18:19,22        | 179:16 222:7              | delegated 33:12      | deposition 1:18 2:1       | develop 15:20,21       |
| 69:6 106:22               | debt 113:2                | delegation 33:17     | 7:7,10 106:17             | 26:10,10,14 28:1       |
| 185:16 195:7,10           | December 214:9            | demand 38:1          | 154:1 160:5,21            | 40:22 116:20           |
| 214:17 233:22             | 226:8                     | demanded 51:22       | 161:7 186:16              | developed 15:8,15      |
| 234:4                     | decide 133:1              | department 39:6      | 235:6,7 236:2             | 49:17 128:5            |
| <b>custodian</b> 206:8,17 | decided 123:15            | 81:2,4,6,7 94:11     | 237:15,20                 | developing 16:8,14     |
| customary 15:12           | 133:3 140:21              | 116:6,9 124:2        | <b>describe</b> 9:18 60:3 | 16:22 26:5             |
| CV 159:18                 | 148:7                     | 132:2 136:1          | 70:10 129:1               | development 117:5      |
|                           | deciding 142:2,8          |                      |                           | -                      |
|                           | 1                         | 1                    | I                         | l                      |

## HIGHLY CONFIDENTIAL Boston, MA

March 10, 20

| 123:11             | 237:12              | doctor 19:4,6,8,11 | 210:12                  | 183:5,13 185:15     |
|--------------------|---------------------|--------------------|-------------------------|---------------------|
| develops 26:1      | directly 14:3 24:3  | 20:11 22:22        | doors 17:4              | 193:12 213:3        |
| deviate 151:15     | 213:11              | 32:11 90:5,13,18   | doubt 204:2             | 224:21 227:1        |
| deviation 23:13    | director 9:7 30:21  | 90:21 96:4         | downside 100:15         | 228:3               |
| devices 84:5       | 31:2,3,5 40:10,14   | doctors 11:12      | <b>Draft</b> 192:14     | drug-by-drug        |
| devote 167:20      | 41:3 45:13,20       | 19:10 20:18        | draw 188:3 201:1        | 135:2 136:10        |
| devoted 164:18     | 60:16 62:17 64:6    | 22:15,16 90:2      | <b>DRG</b> 167:7 169:19 | due 111:14 149:6    |
| <b>DHCFP</b> 227:3 | 173:15,17 180:16    | 91:17 96:13        | Driscoll 128:17         | 149:21              |
| diabetes 83:15     | 186:5,7             | document 1:10      | 172:22                  | duly 8:7 237:9      |
| dialysis 226:14,18 | discharge 15:9      | 158:7,7,11,13      | Driscoll's 173:5        | duplicate 27:16     |
| 226:22             | discounts 120:10    | 159:12 163:21      | Drive 4:7               | duplication 28:2    |
| difference 50:22   | discuss 95:22       | 164:3 181:19       | drug 40:7,7 57:5        | duration 78:12,15   |
| 67:13,16 101:20    | 155:22              | 182:2,7,9 187:12   | 59:7 60:4,6,11          | dynamic 29:19       |
| 202:15 212:13,20   | discussed 70:3 87:1 | 187:15,18 192:12   | 120:10 121:21           | dynamics 43:10,12   |
| different 20:14,15 | 100:17 155:17       | 193:3,5,6 194:6    | 122:8,9 155:18          |                     |
| 24:14,16,19,22     | 176:1,3 181:14      | 194:13,14,20       | 207:17 208:1,5          | E                   |
| 25:1 29:19 32:10   | 183:1 187:4         | 195:1,9 196:7      | 225:10                  | E 4:5 6:1,9         |
| 35:14 37:11 40:5   | 188:17 189:4        | 197:16 198:6       | drugs 11:13 20:8        | earlier 49:17 60:19 |
| 41:18 44:18 51:9   | 193:7,22 224:11     | 200:6,8 205:7,13   | 21:1,5 38:10,17         | 70:1 77:14 99:9     |
| 51:13,14 52:8,9    | 224:18 233:15       | 205:17 206:6,9     | 42:15 57:2,10,12        | 100:17 117:12       |
| 53:16 66:15        | discussing 18:12    | 206:11,13,15,18    | 57:17 58:20             | 120:1 122:13        |
| 69:14 71:14 78:9   | 130:4 156:7,12      | 207:15 208:3       | 59:11 60:9,10           | 129:3 138:2         |
| 82:20 85:17        | 156:13 233:20       | 225:16             | 61:12,14,17,22          | 153:11 155:17       |
| 91:20 101:8        | discussion 19:7     | documentary        | 62:5,8 63:15 87:6       | 164:17 170:11       |
| 103:20 120:2,16    | 21:3 59:2 73:12     | 156:19             | 88:1 90:2 91:3,9        | 178:5 181:4         |
| 122:4,9,14,16,18   | 77:21 108:21        | documentation      | 102:13,22 103:18        | 193:7 206:22        |
| 122:20 123:19      | 112:11 117:8        | 154:12,18          | 104:1,17 107:1          | 224:11 225:18       |
| 133:2 134:1        | 156:2,15,17         | documents 158:3    | 113:6,10,18             | 231:6               |
| differentiates     | 160:15 169:11       | 158:18,22 159:7    | 114:11 115:12           | early 9:3 15:8,11   |
| 85:16              | 198:7 207:19,22     | 159:10,13,14,20    | 118:18,22 119:3         | 111:7 117:4         |
| differentiating    | 222:22              | 159:22 160:4,20    | 120:7,9,15,22           | 130:13 139:7        |
| 102:7              | discussions 17:13   | 160:22 161:3,4,8   | 121:7,8 123:3,16        | 150:20 151:12       |
| differently 108:6  | 21:7,8 82:10        | 161:9,16 163:1     | 124:2,7,16              | 159:4               |
| 108:12             | 109:19 182:11       | 163:11,18 193:20   | 125:16 126:2            | earn 189:13 190:3   |
| difficulties 27:18 | 195:15 222:3        | 226:1 227:5,8      | 133:14 134:22           | East 10:16          |
| 82:14              | distinction 34:18   | 233:20             | 135:6 136:6,7,8         | Eckerd's 90:7       |
| difficulty 210:16  | distinguishes 215:3 | doing 101:16 168:7 | 136:15 137:6            | economically 27:1:  |
| diligent 164:9     | distress 210:9      | 173:20 175:7       | 139:11 142:19           | economics 13:17     |
| dimension 112:21   | distribution 59:8   | 218:7,9,14         | 143:5 144:12,19         | 111:5               |
| direct 8:9         | distributor 57:16   | dollar 21:21 22:2  | 145:6 148:21            | economy 27:12       |
| directed 161:18    | DISTRICT 1:1,2      | 53:3,17 214:1      | 168:1 169:9,10          | Ed 7:21 8:17        |
| direction 178:4    | division 67:11      | dollars 154:14     | 173:22 175:8            | educational 9:18    |
|                    |                     |                    |                         | Edward 3:5          |
|                    |                     |                    |                         | I                   |

# HIGHLY CONFIDENTIAL Boston, MA

| Ed@hbsslaw.com       | 213:8 232:10,13     | establish 123:15   | exclusions 62:5,6                   | 156:1 162:9                      |
|----------------------|---------------------|--------------------|-------------------------------------|----------------------------------|
| 3:10                 | 232:15              | established 43:3   | Excuse 106:10                       | 197:21 198:4,10                  |
| effective 109:18     | ended 40:19 57:18   | 46:7 47:3 54:20    | executive 213:20                    | 198:17,19 199:1                  |
| 124:3 134:4          | 57:21 111:15        | 132:18             | Exhbiit 205:3                       | 199:6,12 200:9                   |
| efficiency 85:5 87:3 | Į.                  | establishes 51:5   | Exhibit 6:10,12,13                  | 200:17,21 203:11                 |
| 231:11               | ends 110:20         | estimate 174:17    | 6:16,17,18,19,20                    | 204:14 206:22                    |
| effort 22:7 116:19   | enhance 40:22       | 203:2,15 204:16    | 6:21 159:6,9,11                     | 226:7                            |
| 166:13               | enroll 230:4,10,11  | 214:21 215:8,16    | 181:20 182:1                        | e-mails 156:5,9,12               |
| efforts 28:2         | enrolled 230:2,7    | 220:10 221:16      | 187:13,16 193:1                     | 1                                |
| eight 179:6 180:21   | enrolling 230:3     | estimates 216:4    | 193:4 196:10                        | 161:22 162:11,14<br>162:18 163:1 |
| Eileen 226:8         | ensuing 237:9       | eTechnology 86:15  | 197:17,19,21                        | 1                                |
| either 16:11 35:21   | ensure 53:16        | eventually 79:4    | 200:3,4 205:4,5                     | 198:14 225:18,20                 |
| 61:7 100:12          | 210:22              | 172:1              | 206:19,21 225:17                    | 226:3 233:19                     |
| 130:13 231:22        | entail 165:1        | everyday 199:4     | existence 152:3                     | F                                |
| electronic 84:1,4    | enter 96:2 107:4    | evolved 88:3 93:9  | 183:20                              | faces 129:13                     |
| 84:17 86:18          | 112:11              | 93:11              | existing 106:7                      | facilities 211:1                 |
| 162:1                | entered 22:22       | Ex 233:10          | existing 100.7                      | fact 16:15 24:17                 |
| electronically       | 31:19 48:6 112:3    | exact 49:12        | expand 137.13<br>expanded 95:6      | 29:20 41:4 75:14                 |
| 162:22               | entering 29:15      | exactly 13:6 125:5 | expanded 93.0<br>expect 8:20 19:17  | 76:9 120:2                       |
| element 101:10       | enters 227:16       | 130:6 147:5        | 24:15 197:5,8                       | 158:21 175:18                    |
| elements 23:3        | entire 15:1 144:5   | 174:7 175:16       | expected 43:16                      | 177:3                            |
| 52:11 89:7           | entirely 11:15      | 185:5 203:9        | 161:21                              | factor 37:11 50:20               |
| 191:15               | 33:13 122:8         | 214:20             | expenses 88:3,5                     | 51:1,4,10,12                     |
| eligibles 230:5      | entities 26:9,13,17 | examination 161:8  | 103:22                              | 52:16 54:18 55:1                 |
| else's 51:3          | 32:1 45:19 78:18    | 228:11 237:10      | experience 50:9,13                  | 55:15 56:7                       |
| emerged 81:14        | 107:3,22 193:10     | examine 159:20     | 93:17 205:10                        | 141:21 142:2                     |
| emergency 209:14     | 197:1,1             | example 55:11,18   | expertise 73:20                     | factors 48:5 51:9                |
| employ 228:14        | entitled 196:10     | 68:7 94:5,10,21    | <b>Expires</b> 236:16               | 51:16 52:6,9                     |
| employed 97:4        | 206:4 207:2         | 97:1 202:6         | 238:14                              | 53:15 141:16                     |
| 108:16 118:2         | 208:14 224:7        | 231:12             | explain 36:9                        | fair 83:17 101:19                |
| 234:1,4,7 237:19     | entity 24:21 41:5   | examples 97:2      | explicitly 92:19                    | 165:20 185:2                     |
| employee 178:20      | 46:22 47:5 197:2    | exceeded 55:1      | Explorer 229:4                      | 216:22                           |
| 226:10 228:22        | 197:3               | Excel 155:12 156:9 | exploring 16:3                      | Fairfield 34:15,19               |
| 229:11 237:21        | entry 192:15 212:1  | 157:1,3            | Express 90:10                       | 35:3,4,10,13                     |
| employees 229:7      | 213:22 214:11       | excess 212:18      | expressed 21:20                     | fairly 117:4                     |
| enable 28:11         | equal 54:5          | exchange 155:9     | 59:3                                | fall 55:11 56:4                  |
| 111:17 112:12        | equally 23:16,17    | exchanged 155:11   | extended 214:5                      | 83:13 84:14                      |
| encompass 20:7       | 23:20               | 156:6              | extended 214.3<br>extent 29:20 58:1 | 135:18 174:11                    |
| encompassed          | eRx 84:2,3,14       | exclude 61:12 92:8 | 78:5 167:7                          | 184:3                            |
| 61:16                | escape 111:17       | excluded 61:13     | 215:14                              | falling 132:6                    |
| encountered 82:15    | Esq 3:5,15 4:5,16   | 89:8 91:22 92:20   | external 213:19                     | 170:19 171:8                     |
| encourage 212:10     | 5:5                 | 203:6              | e-mail 8:17 155:14                  | Fallon 104:20,22                 |
|                      |                     | 200.0              | · man 0.1/ 155.14                   | 106:20 107:6,10                  |
|                      |                     |                    |                                     | 1                                |